
SUBSTITUTE HOUSE BILL 1212

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Government Administration (originally sponsored by Representatives D. Schmidt, Scott, Mielke and Dunn)

Read first time 02/24/97.

1 AN ACT Relating to the combining of water and sewer districts;
2 amending RCW 57.04.050, 57.08.005, 57.08.014, 57.08.030, 57.08.044,
3 57.08.047, 57.08.065, 57.08.081, 57.08.085, 57.08.110, 57.08.180,
4 57.16.060, 57.16.110, 57.20.120, 57.20.140, 57.24.040, 57.24.050,
5 57.28.050, 57.32.023, 57.36.040, 57.90.010, 27.12.470, 32.20.070,
6 32.20.110, 35.13A.010, 35.13A.020, 35.13A.030, 35.13A.040, 35.13A.060,
7 35.13A.070, 35.13A.090, 35.58.210, 35.58.220, 35.58.230, 35.58.410,
8 35.67.300, 35.91.020, 35.92.012, 35.92.170, 35.97.010, 35.97.050,
9 36.16.138, 36.93.020, 36.93.093, 36.93.105, 36.93.185, 36.94.220,
10 36.94.430, 36.96.010, 36.94.410, 36.94.420, 39.69.010, 39.80.020,
11 39.50.010, 43.20.240, 43.70.195, 43.155.030, 44.04.170, 48.62.021,
12 52.08.011, 53.48.001, 53.48.010, 54.04.030, 70.44.400, 70.95B.020,
13 70.119.020, 79.44.003, 84.04.120, 84.33.100, 84.34.310, 84.64.080,
14 84.69.010, 87.03.015, 87.03.720, and 87.03.725; reenacting and amending
15 RCW 57.08.050; repealing RCW 56.08.070; providing an effective date;
16 and declaring an emergency.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

18 **PART I - WATER-SEWER DISTRICT LAWS**

1 **Sec. 1.** RCW 57.04.050 and 1996 c 230 s 204 are each amended to
2 read as follows:

3 Upon entry of the findings of the final hearing on the petition if
4 one or more county legislative authorities find that the proposed
5 district will be conducive to the public health, welfare, and
6 convenience and will benefit the land therein, they shall ~~((call))~~
7 present a resolution to the county auditor calling for a special
8 election ~~((by presenting a resolution to the county auditor at least~~
9 forty-five days prior to the proposed election date. ~~— A special~~
10 election shall be held on a date decided by the commissioners in
11 accordance with RCW 29.13.020)) to be held at a date specified under
12 RCW 29.13.020, that occurs forty-five or more days after the resolution
13 is presented, at which a ballot proposition authorizing the district to
14 be created shall be submitted to voters for their approval or
15 rejection. The commissioners shall cause to be published a notice of
16 the election for four successive weeks in a newspaper of general
17 circulation in the proposed district, which notice shall state the
18 hours during which the polls will be open, the boundaries of the
19 district as finally adopted and the object of the election, and the
20 notice shall also be posted ten days in ten public places in the
21 proposed district. ~~((In submitting the proposition to the voters, it~~
22 ~~shall be expressed on the ballots in the following terms:~~

23 ~~. District YES |~~
24 ~~. District NO |~~

25 ~~giving the name of the district as provided in the petition. ~~The~~~~
26 ~~proposition to be effective must be)) The district shall be created if~~
27 ~~the ballot proposition authorizing the district to be created is~~
28 ~~approved by a majority of the voters voting on the proposition.~~

29 A separate ballot proposition authorizing the district, if created,
30 to impose a single-year excess levy for the preliminary expenses of the
31 district shall be submitted to voters for their approval or rejection
32 at the same special election ~~((a proposition shall be submitted to the~~
33 voters, for their approval or rejection, authorizing the district, if
34 formed, to impose on all property located in the district a general tax
35 for one year, in excess of the limitations provided by law)), if the
36 petition to create the district also proposed that a ballot proposition
37 authorizing an excess levy be submitted to voters for their approval or
38 rejection. The excess levy shall be proposed in the amount specified

1 in the petition to create the district, not to exceed one dollar and
2 twenty-five cents per thousand dollars of assessed value, (~~for general~~
3 ~~preliminary expenses of the district, that proposition to be expressed~~
4 ~~on the ballots in the following terms:~~

5 One year dollars and cents per
6 thousand dollars of assessed value tax YES ~~|~~
7 ~~NO |~~

8 ~~Such a ballot proposition))~~ and may only be submitted to voters for
9 their approval or rejection if the special election is held in
10 February, March, April, or May. The proposition to be effective must
11 be approved (~~by at least three-fifths of the voters voting on the~~
12 ~~proposition))~~ in the manner set forth in Article VII, section 2(a) of
13 the state Constitution.

14 **Sec. 2.** RCW 57.08.005 and 1996 c 230 s 301 are each amended to
15 read as follows:

16 A district shall have the following powers:

17 (1) To acquire by purchase or condemnation, or both, all lands,
18 property and property rights, and all water and water rights, both
19 within and without the district, necessary for its purposes. The right
20 of eminent domain shall be exercised in the same manner and by the same
21 procedure as provided for cities and towns, insofar as consistent with
22 this title, except that all assessment or reassessment rolls to be
23 prepared and filed by eminent domain commissioners or commissioners
24 appointed by the court shall be prepared and filed by the district, and
25 the duties devolving upon the city treasurer are imposed upon the
26 county treasurer;

27 (2) To lease real or personal property necessary for its purposes
28 for a term of years for which that leased property may reasonably be
29 needed;

30 (3) To construct, condemn and purchase, add to, maintain, and
31 supply waterworks to furnish the district and inhabitants thereof and
32 any other persons, both within and without the district, with an ample
33 supply of water for all uses and purposes public and private with full
34 authority to regulate and control the use, content, distribution, and
35 price thereof in such a manner as is not in conflict with general law
36 and may construct, acquire, or own buildings and other necessary
37 district facilities. Where a customer connected to the district's

1 system uses the water on an intermittent or transient basis, a district
2 may charge for providing water service to such a customer, regardless
3 of the amount of water, if any, used by the customer. District
4 waterworks may include facilities which result in combined water supply
5 and electric generation, if the electricity generated thereby is a
6 byproduct of the water supply system. That electricity may be used by
7 the district or sold to any entity authorized by law to use or
8 distribute electricity. Electricity is deemed a byproduct when the
9 electrical generation is subordinate to the primary purpose of water
10 supply. For such purposes, a district may take, condemn and purchase,
11 acquire, and retain water from any public or navigable lake, river or
12 watercourse, or any underflowing water, and by means of aqueducts or
13 pipeline conduct the same throughout the district and any city or town
14 therein and carry it along and upon public highways, roads, and
15 streets, within and without such district. For the purpose of
16 constructing or laying aqueducts or pipelines, dams, or waterworks or
17 other necessary structures in storing and retaining water or for any
18 other lawful purpose such district may occupy the beds and shores up to
19 the high water mark of any such lake, river, or other watercourse, and
20 may acquire by purchase or condemnation such property or property
21 rights or privileges as may be necessary to protect its water supply
22 from pollution. For the purposes of waterworks which include
23 facilities for the generation of electricity as a byproduct, nothing in
24 this section may be construed to authorize a district to condemn
25 electric generating, transmission, or distribution rights or facilities
26 of entities authorized by law to distribute electricity, or to acquire
27 such rights or facilities without the consent of the owner;

28 (4) To purchase and take water from any municipal corporation,
29 private person, or entity. A district contiguous to Canada may
30 contract with a Canadian corporation for the purchase of water and for
31 the construction, purchase, maintenance, and supply of waterworks to
32 furnish the district and inhabitants thereof and residents of Canada
33 with an ample supply of water under the terms approved by the board of
34 commissioners;

35 (5) To construct, condemn and purchase, add to, maintain, and
36 operate systems of sewers for the purpose of furnishing the district,
37 the inhabitants thereof, and persons outside the district with an
38 adequate system of sewers for all uses and purposes, public and
39 private, including but not limited to on-site sewage disposal

1 facilities, approved septic tanks or approved septic tank systems,
2 other facilities and systems for the collection, interception,
3 treatment, and disposal of wastewater, and for the control of pollution
4 from wastewater (~~and for the protection, preservation, and~~
5 ~~rehabilitation of surface and underground waters, facilities for the~~
6 ~~drainage and treatment of storm or surface waters, public highways,~~
7 ~~streets, and roads~~)) with full authority to regulate the use and
8 operation thereof and the service rates to be charged. Sewage
9 facilities may include facilities which result in combined sewage
10 disposal(~~(or)~~) or treatment(~~(or)~~ ~~drainage~~) and electric generation,
11 except that the electricity generated thereby is a byproduct of the
12 system of sewers. Such electricity may be used by the district or sold
13 to any entity authorized by law to distribute electricity. Electricity
14 is deemed a byproduct when the electrical generation is subordinate to
15 the primary purpose of sewage disposal(~~(or)~~) or treatment(~~(or)~~
16 ~~drainage~~)). For such purposes a district may conduct sewage throughout
17 the district and throughout other political subdivisions within the
18 district, and construct and lay sewer pipe along and upon public
19 highways, roads, and streets, within and without the district, and
20 condemn and purchase or acquire land and rights of way necessary for
21 such sewer pipe. A district may erect sewage treatment plants within
22 or without the district, and may acquire, by purchase or condemnation,
23 properties or privileges necessary to be had to protect any lakes,
24 rivers, or watercourses and also other areas of land from pollution
25 from its sewers or its sewage treatment plant. For the purposes of
26 sewage facilities which include facilities that result in combined
27 sewage disposal(~~(or)~~) or treatment(~~(or)~~ ~~drainage~~) and electric
28 generation where the electric generation is a byproduct, nothing in
29 this section may be construed to authorize a district to condemn
30 electric generating, transmission, or distribution rights or facilities
31 of entities authorized by law to distribute electricity, or to acquire
32 such rights or facilities without the consent of the owners;

33 (6) To construct, condemn and purchase, add to, maintain, and
34 operate systems of drainage for the benefit and use of the district,
35 the inhabitants thereof, and persons outside the district with an
36 adequate system of drainage, including but not limited to facilities
37 and systems for the collection, interception, treatment, and disposal
38 of storm or surface waters, and for the protection, preservation, and
39 rehabilitation of surface and underground waters, and drainage

1 facilities for public highways, streets, and roads, with full authority
2 to regulate the use and operation thereof and the service rates to be
3 charged. Drainage facilities may include natural systems. Drainage
4 facilities may include facilities which result in combined drainage
5 facilities and electric generation, except that the electricity
6 generated thereby is a byproduct of the drainage system. Such
7 electricity may be used by the district or sold to any entity
8 authorized by law to distribute electricity. Electricity is deemed a
9 byproduct when the electrical generation is subordinate to the primary
10 purpose of drainage collection, disposal, and treatment. For such
11 purposes, a district may conduct storm or surface water throughout the
12 district and throughout other political subdivisions within the
13 district, construct and lay drainage pipe and culverts along and upon
14 public highways, roads, and streets, within and without the district,
15 and condemn and purchase or acquire land and rights of way necessary
16 for such drainage systems. A district may provide or erect facilities
17 and improvements for the treatment and disposal of storm or surface
18 water within or without the district, and may acquire, by purchase or
19 condemnation, properties or privileges necessary to be had to protect
20 any lakes, rivers, or watercourses and also other areas of land from
21 pollution from storm or surface waters. For the purposes of drainage
22 facilities which include facilities that also generate electricity as
23 a byproduct, nothing in this section may be construed to authorize a
24 district to condemn electric generating, transmission, or distribution
25 rights or facilities of entities authorized by law to distribute
26 electricity, or to acquire such rights or facilities without the
27 consent of the owners;

28 (7) To construct, condemn, acquire, and own buildings and other
29 necessary district facilities;

30 ((+7)) (8) To compel all property owners within the district
31 located within an area served by the district's system of sewers to
32 connect their private drain and sewer systems with the district's
33 system under such penalty as the commissioners shall prescribe by
34 resolution. The district may for such purpose enter upon private
35 property and connect the private drains or sewers with the district
36 system and the cost thereof shall be charged against the property owner
37 and shall be a lien upon property served;

38 ((+8)) (9) Where a district contains within its borders, abuts, or
39 is located adjacent to any lake, stream, ground water as defined by RCW

1 90.44.035, or other waterway within the state of Washington, to provide
2 for the reduction, minimization, or elimination of pollutants from
3 those waters in accordance with the district's comprehensive plan, and
4 to issue general obligation bonds, revenue bonds, local improvement
5 district bonds, or utility local improvement bonds for the purpose of
6 paying all or any part of the cost of reducing, minimizing, or
7 eliminating the pollutants from these waters;

8 ((+9)) (10) To fix rates and charges for water, sewer, and drain
9 service supplied and to charge property owners seeking to connect to
10 the district's systems, as a condition to granting the right to so
11 connect, in addition to the cost of the connection, such reasonable
12 connection charge as the board of commissioners shall determine to be
13 proper in order that those property owners shall bear their equitable
14 share of the cost of the system. For the purposes of calculating a
15 connection charge, the board of commissioners shall determine the pro
16 rata share of the cost of existing facilities and facilities planned
17 for construction within the next ten years and contained in an adopted
18 comprehensive plan and other costs borne by the district which are
19 directly attributable to the improvements required by property owners
20 seeking to connect to the system. The cost of existing facilities
21 shall not include those portions of the system which have been donated
22 or which have been paid for by grants. The connection charge may
23 include interest charges applied from the date of construction of the
24 system until the connection, or for a period not to exceed ten years,
25 whichever is shorter, at a rate commensurate with the rate of interest
26 applicable to the district at the time of construction or major
27 rehabilitation of the system, or at the time of installation of the
28 lines to which the property owner is seeking to connect. A district
29 may permit payment of the cost of connection and the reasonable
30 connection charge to be paid with interest in installments over a
31 period not exceeding fifteen years. The county treasurer may charge
32 and collect a fee of three dollars for each year for the treasurer's
33 services. Those fees shall be a charge to be included as part of each
34 annual installment, and shall be credited to the county current expense
35 fund by the county treasurer. Revenues from connection charges
36 excluding permit fees are to be considered payments in aid of
37 construction as defined by department of revenue rule.

38 Except as otherwise provided in RCW 90.03.525, any public entity
39 and public property, including the state of Washington and state

1 property, shall be subject to rates and charges for sewer, water, storm
2 water control, drainage, and street lighting facilities to the same
3 extent private persons and private property are subject to those rates
4 and charges that are imposed by districts. In setting those rates and
5 charges, consideration may be made of in-kind services, such as stream
6 improvements or donation of property;

7 ~~((10))~~ (11) To contract with individuals, associations and
8 corporations, the state of Washington, and the United States;

9 ~~((11))~~ (12) To employ such persons as are needed to carry out the
10 district's purposes and fix salaries and any bond requirements for
11 those employees;

12 ~~((12))~~ (13) To contract for the provision of engineering, legal,
13 and other professional services as in the board of commissioner's
14 discretion is necessary in carrying out their duties;

15 ~~((13))~~ (14) To sue and be sued;

16 ~~((14))~~ (15) To loan and borrow funds and to issue bonds and
17 instruments evidencing indebtedness under chapter 57.20 RCW and other
18 applicable laws;

19 ~~((15))~~ (16) To transfer funds, real or personal property,
20 property interests, or services subject to RCW 57.08.015;

21 ~~((16))~~ (17) To levy taxes in accordance with this chapter and
22 chapters 57.04 and 57.20 RCW;

23 ~~((17))~~ (18) To provide for making local improvements and to levy
24 and collect special assessments on property benefitted thereby, and for
25 paying for the same or any portion thereof in accordance with chapter
26 57.16 RCW;

27 ~~((18))~~ (19) To establish street lighting systems under RCW
28 57.08.060;

29 ~~((19))~~ (20) To exercise such other powers as are granted to
30 water-sewer districts by this title or other applicable laws; and

31 ~~((20))~~ (21) To exercise any of the powers granted to cities and
32 counties with respect to the acquisition, construction, maintenance,
33 operation of, and fixing rates and charges for waterworks and systems
34 of sewerage and drainage.

35 **Sec. 3.** RCW 57.08.014 and 1996 c 230 s 304 are each amended to
36 read as follows:

37 In addition to the authority of a district to establish
38 classifications for rates and charges and impose such rates and

1 charges, a district may adjust or delay those rates and charges for
2 low-income persons or classes of low-income persons, including but not
3 limited to, (~~peer~~) low-income handicapped persons and (~~peer~~) low-
4 income senior citizens. Other financial assistance available to low-
5 income persons shall be considered in determining charges and rates
6 under this section. Notification of special rates or charges
7 established under this section shall be provided to all persons served
8 by the district annually and upon initiating service. Information on
9 cost shifts caused by establishment of the special rates or charges
10 shall be included in the notification. Any reduction in charges and
11 rates granted to low-income persons in one part of a service area shall
12 be uniformly extended to low-income persons in all other parts of the
13 service area.

14 **Sec. 4.** RCW 57.08.030 and 1996 c 230 s 307 are each amended to
15 read as follows:

16 (1) Whenever any district shall have installed a distributing
17 system of water mains and laterals, and as a source of supply of water
18 shall be purchasing or intending to purchase water from any city or
19 town, and whenever it appears to be advantageous to the water consumers
20 in the district that such city or town shall take over the water system
21 of the district and supply water to those water users, the
22 commissioners of the district, when authorized as provided in
23 subsection (2) of this section, shall have the right to convey the
24 distributing system to that city or town if that city or town is
25 willing to accept, maintain, and repair the same.

26 (2) Should the commissioners of the district decide that it would
27 be to the advantage of the water consumers of the district to make the
28 conveyance provided for in subsection (1) of this section, they shall
29 cause the proposition of making that conveyance to be submitted to the
30 voters of the district at any general election or at a special election
31 to be called for the purpose of voting on the same. If at the election
32 a majority of the voters voting on the proposition shall be in favor of
33 making the conveyance, the district commissioners shall have the right
34 to convey to the city or town the mains and laterals belonging to the
35 district upon the city or town entering into a contract satisfactory to
36 the commissioners to maintain and repair the same.

37 (3) Whenever a city or town located wholly or in part within a
38 district shall enter into a contract with the commissioners of a

1 district providing that the city or town shall take over all of the
2 operation of the water supply facilities of the district located within
3 its boundaries, the area of the district located within the city or
4 town shall upon the execution of the contract cease to be served by the
5 district for water service purposes. However, the affected land within
6 that city or town shall remain liable for the payment of all
7 assessments, any lien upon the property at the time of the execution of
8 the agreement, and for any lien of all general obligation bonds due at
9 the date of the contract, and the city or town shall remain liable for
10 its fair prorated share of the debt of the area for any revenue bonds,
11 outstanding as of the date of contract.

12 **Sec. 5.** RCW 57.08.044 and 1996 c 230 s 309 are each amended to
13 read as follows:

14 A district may enter into contracts with any county, city, town, or
15 any other municipal or quasi-municipal corporation, or with any private
16 person or corporation, for the acquisition, ownership, use, and
17 operation of any property, facilities, or services, within or without
18 the district, and necessary or desirable to carry out the purposes of
19 the district. A district may provide water, sewer, drainage, or street
20 lighting services to property owners in areas within or without the
21 limits of the district, except that if the area to be served is located
22 within another existing district duly authorized to exercise district
23 powers in that area, then water, sewer, drainage, or street lighting
24 service may not be so provided by contract or otherwise without the
25 consent by resolution of the board of commissioners of that other
26 district.

27 **Sec. 6.** RCW 57.08.047 and 1996 c 230 s 310 are each amended to
28 read as follows:

29 The provision of water ((~~or~~)), sewer, or drainage service beyond
30 the boundaries of a district may be subject to potential review by a
31 boundary review board under chapter 36.93 RCW.

32 **Sec. 7.** RCW 57.08.050 and 1996 c 230 s 311 and 1996 c 18 s 14 are
33 each reenacted and amended to read as follows:

34 (1) All work ordered, the estimated cost of which is in excess of
35 five thousand dollars shall be let by contract. All contract projects,
36 the estimated cost of which is in excess of five thousand dollars and

1 less than fifty thousand dollars, may be awarded to a contractor using
2 the small works roster process provided in RCW 39.04.155. The board of
3 commissioners may set up uniform procedures to prequalify contractors
4 for inclusion on the small works roster. All contract projects equal
5 to or in excess of fifty thousand dollars shall be let by competitive
6 bidding. Before awarding any such contract the board of commissioners
7 shall publish a notice in a newspaper of general circulation where the
8 district is located at least once thirteen days before the last date
9 upon which bids will be received, inviting sealed proposals for such
10 work, plans and specifications which must at the time of publication of
11 such notice be on file in the office of the board of commissioners
12 subject to the public inspection. The notice shall state generally the
13 work to be done and shall call for proposals for doing the same to be
14 sealed and filed with the board of ((water)) commissioners on or before
15 the day and hour named therein.

16 Each bid shall be accompanied by a certified or cashier's check or
17 postal money order payable to the order of the county treasurer for a
18 sum not less than five percent of the amount of the bid, or accompanied
19 by a bid bond in an amount not less than five percent of the bid with
20 a corporate surety licensed to do business in the state, conditioned
21 that the bidder will pay the district as liquidated damages the amount
22 specified in the bond, unless the bidder enters into a contract in
23 accordance with the bidder's bid, and no bid shall be considered unless
24 accompanied by such check, cash or bid bond. At the time and place
25 named such bids shall be publicly opened and read and the board of
26 commissioners shall proceed to canvass the bids and may let such
27 contract to the lowest responsible bidder upon plans and specifications
28 on file or to the best bidder submitting the bidder's own plans and
29 specifications. However, no contract shall be let in excess of the
30 cost of the materials or work. The board of commissioners may reject
31 all bids for good cause and readvertise and in such case all checks,
32 cash or bid bonds shall be returned to the bidders. If the contract is
33 let, then all checks, cash, or bid bonds shall be returned to the
34 bidders, except that of the successful bidder, which shall be retained
35 until a contract shall be entered into for doing the work, and a bond
36 to perform such work furnished with sureties satisfactory to the board
37 of commissioners in the full amount of the contract price between the
38 bidder and the commission in accordance with the bid. If the bidder
39 fails to enter into the contract in accordance with the bid and furnish

1 the bond within ten days from the date at which the bidder is notified
2 that the bidder is the successful bidder, the check, cash, or bid bonds
3 and the amount thereof shall be forfeited to the district. If the
4 bidder fails to enter into a contract in accordance with the bidder's
5 bid, and the board of commissioners deems it necessary to take legal
6 action to collect on any bid bond required by this section, then the
7 district shall be entitled to collect from the bidder any legal
8 expenses, including reasonable attorneys' fees occasioned thereby. A
9 low bidder who claims error and fails to enter into a contract is
10 prohibited from bidding on the same project if a second or subsequent
11 call for bids is made for the project.

12 (2) Any purchase of materials, supplies, or equipment, with an
13 estimated cost in excess of ten thousand dollars, shall be by contract.
14 Any purchase of materials, supplies, or equipment, with an estimated
15 cost of from (~~five~~) ten thousand dollars to less than fifty thousand
16 dollars shall be made using the process provided in RCW (~~39.04.155~~)
17 39.04.190 or by competitive bidding following the procedure for letting
18 contracts for projects under subsection (1) of this section. Any
19 purchase of materials, supplies, or equipment with an estimated cost of
20 fifty thousand dollars or more shall be made by competitive bidding
21 following the procedure for letting contracts for projects under
22 subsection (1) of this section.

23 (3) In the event of an emergency when the public interest or
24 property of the district would suffer material injury or damage by
25 delay, upon resolution of the board of commissioners, or proclamation
26 of an official designated by the board to act for the board during such
27 emergencies, declaring the existence of such emergency and reciting the
28 facts constituting the same, the board or official acting for the board
29 may waive the requirements of this chapter with reference to any
30 purchase or contract. In addition, these requirements may be waived
31 for purchases which are clearly and legitimately limited to a single
32 source of supply and purchases involving special facilities, services,
33 or market conditions, in which instances the purchase price may be best
34 established by direct negotiation.

35 **Sec. 8.** RCW 57.08.065 and 1996 c 230 s 313 are each amended to
36 read as follows:

1 (1) A district shall have power to establish, maintain, and operate
2 a mutual water, sewer, drainage, and street lighting system, a mutual
3 system of any two or three of the systems, or separate systems.

4 (2) Where any two or more districts include the same territory as
5 of July 1, 1997, none of the overlapping districts may provide any
6 service that was made available by any of the other districts prior to
7 July 1, 1997, within the overlapping territory without the consent by
8 resolution of the board of commissioners of the other district or
9 districts.

10 (3) A district that was a water district prior to July 1, 1997,
11 that did not operate a sewer or drainage system prior to July 1, 1997,
12 may not proceed to exercise the powers to establish, maintain,
13 construct, and operate any sewer or drainage system without first
14 obtaining written approval and certification of necessity from the
15 department of ecology and department of health. Any comprehensive plan
16 for a system of sewers or drainages or addition thereto or betterment
17 thereof, proposed by a district that was a water district prior to July
18 1, 1997, shall be approved by the same county and state officials as
19 were required to approve such plans adopted by a sewer district
20 immediately prior to July 1, 1997, and as subsequently may be required.

21 **Sec. 9.** RCW 57.08.081 and 1996 c 230 s 314 are each amended to
22 read as follows:

23 The commissioners of any district shall provide for revenues by
24 fixing rates and charges for furnishing sewer and drainage service to
25 those to whom service is available or for providing water, such rates
26 and charges to be fixed as deemed necessary by the commissioners, so
27 that uniform charges will be made for the same class of customer or
28 service. Rates and charges may be combined for the furnishing of more
29 than one type of sewer service or drainage service, such as but not
30 limited to storm or surface water and sanitary sewer service.

31 In classifying customers of such water, sewer, or drainage system,
32 the board of commissioners may in its discretion consider any or all of
33 the following factors: The difference in cost of service to various
34 customers; the location of the various customers within and without the
35 district; the difference in cost of maintenance, operation, repair, and
36 replacement of the various parts of the system; the different character
37 of the service furnished various customers; the quantity and quality of
38 the service furnished; the time of its use; the achievement of water

1 conservation goals and the discouragement of wasteful practices;
2 capital contributions made to the system including but not limited to
3 assessments; and any other matters which present a reasonable
4 difference as a ground for distinction. Rates shall be established as
5 deemed proper by the commissioners and as fixed by resolution and shall
6 produce revenues sufficient to take care of the costs of maintenance
7 and operation, revenue bond and warrant interest and principal
8 amortization requirements, and all other charges necessary for
9 efficient and proper operation of the system.

10 The commissioners shall enforce collection of connection charges,
11 and rates and charges for water supplied against property owners
12 connecting with the system or receiving such water, and for sewer and
13 drainage services charged against property to which and its owners to
14 whom the service is available, such charges being deemed charges
15 against the property served, by addition of penalties of not more than
16 ten percent thereof in case of failure to pay the charges at times
17 fixed by resolution. The commissioners may provide by resolution that
18 where either connection charges or rates and charges for services
19 supplied are delinquent for any specified period of time, the district
20 shall certify the delinquencies to the treasurer of the county in which
21 the real property is located, and the charges and any penalties added
22 thereto and interest thereon at the rate of not more than the prime
23 lending rate of the district's bank plus four percentage points per
24 year shall be a lien against the property upon which the service was
25 received, subject only to the lien for general taxes.

26 The district may, at any time after the connection charges or rates
27 and charges for services supplied or available and penalties are
28 delinquent for a period of sixty days, bring suit in foreclosure by
29 civil action in the superior court of the county in which the real
30 property is located. The court may allow, in addition to the costs and
31 disbursements provided by statute, attorneys' fees, title search and
32 report costs, and expenses as it adjudges reasonable. The action shall
33 be in rem, and may be brought in the name of the district against an
34 individual or against all of those who are delinquent in one action.
35 The laws and rules of the court shall control as in other civil
36 actions.

37 In addition to the right to foreclose provided in this section, the
38 district may also cut off all or part of the service after charges for

1 water or sewer service supplied or available are delinquent for a
2 period of sixty days.

3 **Sec. 10.** RCW 57.08.085 and 1996 c 230 s 315 are each amended to
4 read as follows:

5 Except as otherwise provided in RCW 90.03.525, any public entity
6 and public property, including state of Washington property, shall be
7 subject to rates and charges for (~~storm water control~~) drainage
8 facilities to the same extent as private persons and private property
9 are subject to such rates and charges that are imposed by districts
10 pursuant to RCW 57.08.005 or 57.08.081. In setting those rates and
11 charges, consideration may be given to in-kind services, such as stream
12 improvements or donation of property.

13 **Sec. 11.** RCW 57.08.110 and 1996 c 230 s 318 are each amended to
14 read as follows:

15 To improve the organization and operation of districts, the
16 commissioners of two or more such districts may form an association
17 thereof, for the purpose of securing and disseminating information of
18 value to the members of the association and for the purpose of
19 promoting the more economical and efficient operation of the
20 comprehensive plans of water supply (~~and~~), sewage treatment and
21 disposal, and drainage collection, treatment, and disposal in their
22 respective districts. The commissioners of districts so associated
23 shall adopt articles of association, select such officers as they may
24 determine, and employ and discharge such agents and employees as shall
25 be deemed convenient to carry out the purposes of the association.
26 District commissioners and employees are authorized to attend meetings
27 of the association. The expenses of an association may be paid from
28 the maintenance or general funds of the associated districts in such
29 manner as shall be provided in the articles of association. However,
30 the aggregate contributions made to an association by a district in any
31 calendar year shall not exceed the amount that would be raised by a
32 levy of two and one-half cents per thousand dollars of assessed value
33 against the taxable property of the district. The financial records of
34 such an association shall be subject to audit by the state auditor.

35 **Sec. 12.** RCW 57.08.180 and 1996 c 230 s 322 are each amended to
36 read as follows:

1 It is unlawful and a misdemeanor to make, or cause to be made, or
2 to maintain any connection with any sewer, drainage, or water system of
3 any district, or with any sewer, drainage, or water system which is
4 connected directly or indirectly with any sewer, drainage, or water
5 system of any district without having permission from the district.

6 **Sec. 13.** RCW 57.16.060 and 1996 c 230 s 602 are each amended to
7 read as follows:

8 Local improvement districts or utility local improvement districts
9 to carry out the whole or any portion of the general comprehensive plan
10 of improvements or plan providing for additions and betterments to an
11 original general comprehensive plan previously adopted may be initiated
12 either by resolution of the board of commissioners or by petition
13 signed by the owners according to the records of the office of the
14 applicable county auditor of at least fifty-one percent of the area of
15 the land within the limits of the improvement district to be created.

16 In case the board of commissioners desires to initiate the
17 formation of an improvement district by resolution, it first shall pass
18 a resolution declaring its intention to order the improvement, setting
19 forth the nature and territorial extent of such proposed improvement,
20 designating the number of the proposed improvement district, and
21 describing the boundaries thereof, stating the estimated cost and
22 expense of the improvement and the proportionate amount thereof which
23 will be borne by the property within the proposed improvement district,
24 and fixing a date, time, and place for a public hearing on the
25 formation of the proposed improvement district.

26 In case any such improvement district is initiated by petition, the
27 petition shall set forth the nature and territorial extent of the
28 proposed improvement requested to be ordered and the fact that the
29 signers thereof are the owners according to the records of the
30 applicable county auditor of at least fifty-one percent of the area of
31 land within the limits of the improvement district to be created. Upon
32 the filing of such petition the board shall determine whether the
33 petition is sufficient, and the board's determination thereof shall be
34 conclusive upon all persons. No person may withdraw his or her name
35 from the petition after it has been filed with the board of
36 commissioners. If the board finds the petition to be sufficient, it
37 shall proceed to adopt a resolution declaring its intention to order
38 the improvement petitioned for, setting forth the nature and

1 territorial extent of the improvement, designating the number of the
2 proposed improvement district and describing the boundaries thereof,
3 stating the estimated cost and expense of the improvement and the
4 proportionate amount thereof which will be borne by the property within
5 the proposed improvement district, and fixing a date, time, and place
6 for a public hearing on the formation of the proposed improvement
7 district.

8 Notice of the adoption of the resolution of intention, whether the
9 resolution was adopted on the initiative of the board or pursuant to a
10 petition of the property owners, shall be published in at least two
11 consecutive issues of a newspaper of general circulation in the
12 proposed improvement district, the date of the first publication to be
13 at least fifteen days prior to the date fixed by such resolution for
14 hearing before the board of commissioners. Notice of the adoption of
15 the resolution of intention shall also be given each owner or reputed
16 owner of any lot, tract, parcel of land, or other property within the
17 proposed improvement district by mailing the notice at least fifteen
18 days before the date fixed for the public hearing to the owner or
19 reputed owner of the property as shown on the tax rolls of the county
20 (~~auditor~~) treasurer of the county in which the real property is
21 located at the address shown thereon. Whenever such notices are
22 mailed, the commissioners shall maintain a list of the reputed property
23 owners, which list shall be kept on file at a location within the
24 district and shall be made available for public perusal. The notices
25 shall refer to the resolution of intention and designate the proposed
26 improvement district by number. The notices also shall set forth the
27 nature of the proposed improvement, the total estimated cost, the
28 proportion of total cost to be borne by assessments, and the date,
29 time, and place of the hearing before the board of commissioners. In
30 the case of improvements initiated by resolution, the notice also
31 shall: (1) State that all persons desiring to object to the formation
32 of the proposed district must file their written protests with the
33 secretary of the board of commissioners no later than ten days after
34 the public hearing; (2) state that if owners of at least forty percent
35 of the area of land within the proposed improvement district file
36 written protests with the secretary of the board, the power of the
37 commissioners to proceed with the creation of the proposed improvement
38 district shall be divested; (3) provide the name and address of the
39 secretary of the board; and (4) state the hours and location within the

1 district where the names of the property owners within the proposed
2 improvement district are kept available for public perusal. In the
3 case of the notice given each owner or reputed owner by mail, the
4 notice shall set forth the estimated amount of the cost and expense of
5 such improvement to be borne by the particular lot, tract, parcel of
6 land, or other property.

7 **Sec. 14.** RCW 57.16.110 and 1996 c 230 s 610 are each amended to
8 read as follows:

9 Whenever any land against which there has been levied any special
10 assessment by any district shall have been sold in part or
11 (~~subdivided~~) divided, the board of commissioners of the district
12 shall have the power to order a segregation of the assessment.

13 Any person desiring to have a special assessment against a tract of
14 land segregated to apply to smaller parts thereof shall apply to the
15 board of commissioners of the district that levied the assessment. If
16 the commissioners determine that a segregation should be made, they
17 shall by resolution order the treasurer of the county in which the real
18 property is located to make segregation on the original assessment roll
19 as directed in the resolution. The segregation shall be made as nearly
20 as possible on the same basis as the original assessment was levied,
21 and the total of the segregated parts of the assessment shall equal the
22 assessment before segregation. The resolution shall describe the
23 original tract and the amount and date of the original assessment, and
24 shall define the boundaries of the divided parts and the amount of the
25 assessment chargeable to each part. A certified copy of the resolution
26 shall be delivered to the treasurer of the county in which the real
27 property is located who shall proceed to make the segregation ordered
28 upon being tendered a fee of three dollars for each tract of land for
29 which a segregation is to be made. In addition to the charge the board
30 of commissioners may require as a condition to the order of segregation
31 that the person seeking it pay the district the reasonable engineering
32 and clerical costs incident to making the segregation.

33 **Sec. 15.** RCW 57.20.120 and 1996 c 230 s 714 are each amended to
34 read as follows:

35 A district may contract indebtedness in excess of the amount named
36 in RCW 57.20.110, but not exceeding in amount, together with existing
37 indebtedness, two and one-half percent of the value of the taxable

1 property in that district, as the term "value of the taxable property"
2 is defined in RCW 39.36.015, and impose excess property tax levies to
3 retire the indebtedness whenever (~~((three-fifths of the voters voting at~~
4 ~~the election in such district assent thereto, at which election the~~
5 ~~total number of persons voting on the proposition shall constitute not~~
6 ~~less than forty percent of the total number of votes cast in the~~
7 ~~district at the last preceding general election))~~) a ballot proposition
8 authorizing the indebtedness and excess levies is approved as provided
9 under Article VII, section 2, and Article VIII, section 6, of the state
10 Constitution, at an election to be held in the district in the manner
11 provided by this title and RCW 39.36.050.

12 **Sec. 16.** RCW 57.20.140 and 1996 c 230 s 717 are each amended to
13 read as follows:

14 The treasurer (~~((designated under RCW 57.20.135))~~) shall create and
15 maintain a separate fund designated as the maintenance fund or general
16 fund of the district into which shall be paid all money received by the
17 treasurer from the collection of taxes other than taxes levied for the
18 payment of general obligation bonds of the district and all revenues of
19 the district other than assessments levied in local improvement
20 districts or utility local improvement districts, and no money shall be
21 disbursed therefrom except upon warrants of the county auditor issued
22 by authority of the commissioners or upon a resolution of the
23 commissioners ordering a transfer to any other fund of the district.
24 The treasurer also shall maintain such other special funds as may be
25 prescribed by the district, into which shall be placed such money as
26 the board of commissioners may by its resolution direct, and from which
27 disbursements shall be made upon proper warrants of the county auditor
28 issued against the same by authority of the board of commissioners.

29 **Sec. 17.** RCW 57.24.040 and 1996 c 230 s 904 are each amended to
30 read as follows:

31 (1) The annexation election shall be held on the date designated in
32 the notice and shall be conducted in accordance with the general
33 election laws of the state. If the original petition for annexation is
34 signed by qualified voters, then only qualified voters at the date of
35 election residing in the territory proposed to be annexed, shall be
36 permitted to vote at the election.

1 (2) If the original petition for annexation is signed by property
2 owners as provided for in this chapter, then no person shall be
3 entitled to vote at that election unless at the time of the filing of
4 the original petition he or she owned land in the district of record
5 and in addition thereto at the date of election shall be a qualified
6 voter of the county in which such district is located. It shall be the
7 duty of the county auditor, upon request of the county legislative
8 authority, to certify the names of all persons owning land in the
9 district at the date of the filing of the original petition as shown by
10 the records of the auditor's office; and at any such election the
11 county auditor may require any such property owner offering to vote to
12 take an oath that the property owner is a qualified voter of the county
13 before the property owner shall be allowed to vote. However, at any
14 election held under the provisions of this chapter an officer or agent
15 of any corporation having its principal place of business in the county
16 and owning land at the date of filing the original petition in the
17 district duly authorized in writing may cast a vote on behalf of such
18 corporation. When so voting the person shall file with the county
19 auditor such a written instrument of that person's authority.

20 (3) If the majority of the votes cast upon the question of such
21 election shall be for annexation, then the territory concerned shall
22 immediately be and become annexed to such district and the same shall
23 then forthwith be a part of the district, the same as though originally
24 included in that district.

25 **Sec. 18.** RCW 57.24.050 and 1996 c 230 s 905 are each amended to
26 read as follows:

27 All elections held pursuant to this chapter, whether general or
28 special, shall be conducted by the county ((election board)) auditor of
29 the county in which the district is located. The expense of all such
30 elections shall be paid for out of the funds of such district.

31 **Sec. 19.** RCW 57.28.050 and 1996 c 230 s 1007 are each amended to
32 read as follows:

33 The petition for withdrawal shall be heard at the time and place
34 specified in such notice or the hearing may be adjourned from time to
35 time, not exceeding one month in all, and any person may appear at such
36 hearing and make objections to the withdrawal of such territory or to
37 the proposed boundary lines thereof. Upon final hearing on the

1 petition for withdrawal, the board of commissioners of the district
2 shall make such changes in the proposed boundary lines as it deems to
3 be proper, except that no changes in the boundary lines shall be made
4 by the board of commissioners to include lands not within the
5 boundaries of the territory as described in such petition. In
6 establishing and defining such boundaries the board of commissioners
7 shall exclude any property which is then being furnished with water
8 ~~((or))~~, sewer, or drainage service by the district or which is included
9 in any distribution or collection system the construction of which is
10 included within any duly established local improvement district or
11 utility local improvement district, and the territory as finally
12 established and defined must be substantial in area and consist of
13 adjoining or contiguous properties. The board of commissioners shall
14 thereupon make and by resolution adopt findings of fact as to the
15 following questions:

16 (1) Would the withdrawal of such territory be of benefit to such
17 territory?

18 (2) Would such withdrawal be conducive to the general welfare of
19 the balance of the district?

20 Such findings shall be entered in the records of the district,
21 together with any recommendations the board of commissioners may by
22 resolution adopt.

23 **Sec. 20.** RCW 57.32.023 and 1996 c 230 s 1106 are each amended to
24 read as follows:

25 If at the election a majority of the voters in each of the
26 consolidating districts vote in favor of the consolidation, the
27 ~~((county canvassing board shall so declare in its canvass and the
28 return of such election shall be made within ten days after the date
29 thereof. Upon the return))~~ consolidation shall be authorized. The
30 consolidation shall be effective and the consolidating districts shall
31 cease to exist and shall then be and become a new district and
32 municipal corporation of the state of Washington, upon the
33 certification of the election results. The name of the new district
34 shall be ". . . . Water-Sewer District," ". . . . Water District,"
35 ". . . . Sewer District," or ". . . . District No.,"
36 which shall be the name appearing on the ballot. The district shall
37 have all and every power, right, and privilege possessed by other
38 water-sewer, sewer, or water districts of the state of Washington. The

1 **Sec. 23.** RCW 27.12.470 and 1994 c 198 s 2 are each amended to read
2 as follows:

3 A rural partial-county library district may be created in a portion
4 of the unincorporated area of a county as provided in this section if
5 a rural county library district, intercounty rural library district, or
6 island library district has not been created in the county.

7 The procedure to create a rural partial-county library district is
8 initiated by the filing of petitions with the county auditor proposing
9 the creation of the district that have been signed by at least ten
10 percent of the registered voters residing in the area proposed to be
11 included in the rural partial-county library district. The county
12 auditor shall review the petitions and certify the sufficiency or
13 insufficiency of the signatures to the county legislative authority.

14 If the petitions are certified as having sufficient valid
15 signatures, the county legislative authority shall hold a public
16 hearing on the proposed rural partial-county library district, may
17 adjust the boundaries of the proposed district, and may cause a ballot
18 proposition to be submitted to the voters of the proposed rural
19 partial-county library district authorizing its creation if the county
20 legislative authority finds that the creation of the rural partial-
21 county library district is in the public interest. A subsequent public
22 hearing shall be held if additional territory is added to the proposed
23 rural partial-county library district by action of the county
24 legislative authority.

25 The rural partial-county library district shall be created if the
26 ballot proposition authorizing the creation of the district is approved
27 by a simple majority vote of the voters voting on the proposition.
28 Immediately after creation of the rural partial-county library district
29 the county legislative authority shall appoint a board of library
30 trustees for the district as provided under RCW 27.12.190.

31 Except as provided in this section, a rural partial-county library
32 district is subject to all the provisions of law applicable to a rural
33 county library district and shall have all the powers, duties, and
34 authorities of a rural county library district, including, but not
35 limited to, the authority to impose property taxes, incur debt, and
36 annex a city or town with a population of less than one hundred
37 thousand at the time of the annexation that is located in the same
38 county as the rural partial-county library district.

1 Adjacent unincorporated territory in the county may be annexed to
2 a rural partial-county library district in the same manner as territory
3 is annexed to a water-sewer district, except that an annexation is not
4 subject to potential review by a boundary review board.

5 If, at the time of creation, a rural partial-county library
6 district has an assessed valuation of less than fifty million dollars,
7 it may provide library services only by contracting for the services
8 through an interlocal agreement with an adjacent library district, or
9 an adjacent city or town that maintains its own library. If the
10 assessed valuation of the rural partial-county library district
11 subsequently reaches fifty million dollars as a result of annexation or
12 appreciation, the fifty million dollar limitation shall not apply.

13 If a ballot proposition is approved creating a rural county library
14 district in the county, every rural partial-county library district in
15 that county shall be dissolved and its assets and liabilities
16 transferred to the rural county library district. Where a rural
17 partial-county library district has annexed a city or town, the voters
18 of the city or town shall be allowed to vote on the proposed creation
19 of a rural county library district and, if created, the rural county
20 library district shall include each city and town that was annexed to
21 the rural partial-county library district.

22 Nothing in this section authorizes the consolidation of a rural
23 partial-county library district with any rural county library district;
24 island library district; city, county, or regional library; intercounty
25 library district; or other rural partial-county library district,
26 unless, in addition to any other requirements imposed by statute, the
27 boards of all library districts involved approve the consolidation.

28 **Sec. 24.** RCW 32.20.070 and 1955 c 13 s 32.20.070 are each amended
29 to read as follows:

30 A mutual savings bank may invest its funds in the valid warrants or
31 bonds of any county, city, town, school district, port district, water-
32 sewer district, or other municipal corporation in the state of
33 Washington issued pursuant to law and for the payment of which the
34 faith and credit of such county, municipality, or district is pledged
35 and taxes are leviable upon all taxable property within its limits.

36 A mutual savings bank may invest its funds in the water revenue,
37 sewer revenue, or electric revenue bonds of any city or public utility
38 district of this state for the payment of which the entire revenue of

1 the city's or district's water system, sewer system, or electric
2 system, less maintenance and operating costs, is irrevocably pledged.

3 **Sec. 25.** RCW 32.20.110 and 1955 c 13 s 32.20.110 are each amended
4 to read as follows:

5 A mutual savings bank may invest its funds in the bonds of any port
6 district, (~~water district,~~) sanitary district, water-sewer district,
7 tunnel district, bridge district, flood control district, park
8 district, or highway district in the United States which has a
9 population as shown by the last decennial federal census of not less
10 than one hundred fifty thousand inhabitants, and has taxable real
11 property with an assessed valuation in excess of two hundred million
12 dollars and has power to levy taxes on the taxable real property
13 therein for the payment of the bonds without limitation of rate or
14 amount.

15 **Sec. 26.** RCW 35.13A.010 and 1971 ex.s. c 95 s 1 are each amended
16 to read as follows:

17 Whenever used in this chapter, the following words shall have the
18 following meanings:

19 (1) The word "district" shall mean a water-sewer district (~~(or~~
20 ~~sewer district as indicated by the context of the section in which~~
21 ~~used)~~).

22 (2) The word "city" shall mean a city or town of any class and
23 shall also include any code city as defined in chapter 35A.01 RCW.

24 (3) The words "included with" shall mean the inclusion of all or
25 part of the territory of a district, as indicated by the context,
26 within the corporate limits of a city either by incorporation of a
27 city, annexation to a city, consolidation of cities or any combination
28 thereof.

29 (4) The word "indebtedness" shall include general obligation,
30 revenue, and special indebtedness and temporary, emergency, and interim
31 loans.

32 **Sec. 27.** RCW 35.13A.020 and 1971 ex.s. c 95 s 2 are each amended
33 to read as follows:

34 Whenever all of the territory of a (~~water district or sewer~~)
35 district is included within the corporate boundaries of a city, and the
36 city legislative body has elected by resolution or ordinance to assume

1 jurisdiction thereof, all real and personal property, franchises,
2 rights, assets, taxes levied but not collected for the district for
3 other than indebtedness, water and sewer lines, and all other
4 facilities and equipment of the district shall become the property of
5 such city subject to all financial, statutory, or contractual
6 obligations of the district for the security or performance of which
7 such property may have been pledged. Such city, in addition to its
8 other powers, shall have the power to manage, control, maintain and
9 operate such property, facilities and equipment and to fix and collect
10 service and other charges from owners and occupants of properties so
11 served by the city, subject, however, to any outstanding indebtedness,
12 bonded or otherwise, of the district payable from taxes, assessments or
13 revenues of any kind or nature and to any other contractual obligations
14 of the district.

15 Such city may by resolution of its legislative body, assume the
16 obligation of paying such district indebtedness and of levying and of
17 collecting or causing to be collected such district taxes, assessments
18 and utility rates and charges of any kind or nature to pay and secure
19 the payment of such indebtedness, according to all of the terms,
20 conditions and covenants incident to such indebtedness, and shall
21 assume and perform all other outstanding contractual obligation of the
22 district in accordance with all of its terms, conditions and covenants.
23 No such assumption shall be deemed to impair the obligation of any
24 indebtedness or other contractual obligation entered into after August
25 9, 1971. During the period until the outstanding indebtedness of the
26 district has been discharged, the territory of the district and the
27 owners and occupants of property therein, shall continue to be liable
28 for its and their proportionate share of such indebtedness, including
29 any outstanding assessments levied within any local improvement
30 district or utility local improvement district thereof. The city shall
31 assume the obligation of causing the payment of such indebtedness,
32 collecting such taxes, assessments and charges and observing and
33 performing the other district contractual obligations. The legislative
34 body of the city shall act as the officers of the district for the
35 purpose of certifying the amount of any property tax to be levied and
36 collected therein, and causing service and other charges and
37 assessments to be collected from such property or owners or occupants
38 thereof, enforcing such collection and performing all other acts
39 necessary to insure performance of the district's contractual

1 obligations in the same manner and by the same means as if the
2 territory of the district had not been included within the boundaries
3 of a city.

4 When a city assumes the obligation of paying the outstanding
5 indebtedness, and if property taxes or assessments have been levied and
6 service and other charges have accrued for such purpose but have not
7 been collected by the district prior to such election, the same when
8 collected shall belong and be paid to the city and be used by such city
9 so far as necessary for payment of the indebtedness of the district
10 existing and unpaid on the date such city elects to assume the
11 indebtedness. Any funds received by the city which have been collected
12 for the purpose of paying any bonded or other indebtedness of the
13 district, shall be used for the purpose for which they were collected
14 and for no other purpose. Any outstanding indebtedness shall be paid
15 as provided in the bond covenants. All funds of the district on
16 deposit with the county treasurer at the time of title transfer shall
17 be used by the city solely for the benefit of the utility and shall not
18 be transferred to or used for the benefit of the city's general fund.

19 **Sec. 28.** RCW 35.13A.030 and 1971 ex.s. c 95 s 3 are each amended
20 to read as follows:

21 Whenever a portion of a ((~~water district or sewer~~)) district equal
22 to at least sixty percent of the area or sixty percent of the assessed
23 valuation of the real property lying within such district, is included
24 within the corporate boundaries of a city, the city may assume by
25 ordinance the full and complete management and control of that portion
26 of the entire district not included within another city, whereupon the
27 provisions of RCW 35.13A.020 shall be operative; or the city may
28 proceed directly under the provisions of RCW 35.13A.050.

29 **Sec. 29.** RCW 35.13A.040 and 1971 ex.s. c 95 s 4 are each amended
30 to read as follows:

31 Whenever the portion of a ((~~water or sewer~~)) district included
32 within the corporate boundaries of a city is less than sixty percent of
33 the area of the district and less than sixty percent of the assessed
34 valuation of the real property within the district, the city may elect
35 to proceed under the provisions of RCW 35.13A.050.

1 **Sec. 30.** RCW 35.13A.060 and 1971 ex.s. c 95 s 6 are each amended
2 to read as follows:

3 Whenever more than one city, in whole or in part, is included
4 within a (~~water district or sewer~~) district, the city which has
5 within its boundaries sixty percent or more of the area of the assessed
6 valuation of the district (in this section referred to as the
7 "principal city") may, with the approval of any other city containing
8 part of such district, assume responsibility for operation and
9 maintenance of the district's property, facilities and equipment within
10 such other city and make and enforce such charges for operation,
11 maintenance and retirement of indebtedness as may be reasonable under
12 all the circumstances.

13 Any other city having less than sixty percent in area or assessed
14 valuation of such district, within its boundaries may install
15 facilities and create local improvement districts or otherwise finance
16 the cost of installation of such facilities and if such facilities have
17 been installed in accordance with reasonable standards fixed by the
18 principal city, such other city may connect such facilities to the
19 utility system of such district operated by the principal city upon
20 providing for payment by the owners or occupants of properties served
21 thereby, of such charges established by the principal city as may be
22 reasonable under the circumstances.

23 **Sec. 31.** RCW 35.13A.070 and 1971 ex.s. c 95 s 7 are each amended
24 to read as follows:

25 Notwithstanding any provision of this chapter to the contrary, one
26 or more cities and one or more (~~water districts or sewer~~) districts
27 may, through their legislative authorities, authorize a contract with
28 respect to the rights, powers, duties and obligation of such cities, or
29 districts with regard to the use and ownership of property, the
30 providing of services, the maintenance and operation of facilities,
31 allocation of cost, financing and construction of new facilities,
32 application and use of assets, disposition of liabilities and debts,
33 the performance of contractual obligations and any other matters
34 arising out of the inclusion, in whole or in part, of the district or
35 districts within any city or cities. The contract may provide for the
36 furnishing of services by any party thereto and the use of city or
37 district facilities or real estate for such purpose, and may also
38 provide for the time during which such district or districts may

1 continue to exercise any rights, privileges, powers and functions
2 provided by law for such district or districts as if the district or
3 districts or portions thereof were not included within a city,
4 including but not by way of limitation, the right to promulgate rules
5 and regulations, to levy and collect special assessments, rates,
6 charges, service charges and connection fees, and to adopt and carry
7 out the provisions of a comprehensive plan, and amendments thereto, for
8 a system of improvements and to issue general obligation bonds or
9 revenue bonds in the manner provided by law. The contract may provide
10 for the transfer to a city of district facilities, property, rights and
11 powers as provided in RCW 35.13A.030 and 35.13A.050, whether or not
12 sixty percent of the area or assessed valuation of real estate lying
13 within the district or districts is included within such city. The
14 contract may provide that any party thereto may authorize, issue and
15 sell revenue bonds to provide funds for new water or sewer improvements
16 or to refund any water revenue, sewer revenue or combined water and
17 sewer revenue bonds outstanding of any city, or district which is a
18 party to such contract if such refunding is deemed necessary, providing
19 such refunding will not increase interest costs. The contract may
20 provide that any party thereto may authorize and issue, in the manner
21 provided by law, general obligation or revenue bonds of like amounts,
22 terms, conditions and covenants as the outstanding bonds of any other
23 party to the contract, and such new bonds may be substituted or
24 exchanged for such outstanding bonds: PROVIDED, That no such exchange
25 or substitution shall be effected in such a manner as to impair the
26 obligation or security of any such outstanding bonds.

27 **Sec. 32.** RCW 35.13A.090 and 1971 ex.s. c 95 s 9 are each amended
28 to read as follows:

29 Whenever a city acquires all of the facilities of a ((water
30 ~~district or sewer~~)) district, pursuant to this chapter, such a city
31 shall offer to employ every full time employee of the district who is
32 engaged in the operation of such a district's facilities on the date on
33 which such city acquires the district facilities. When a city acquires
34 any portion of the facilities of such a district, such a city shall
35 offer to employ full time employees of the district as of the date of
36 the acquisition of the facilities of the district who are not longer
37 needed by the district.

1 Whenever a city employs a person who was employed immediately prior
2 thereto by the district, arrangements shall be made:

3 (~~1~~) (~~For the retention of service credits under the pension plan~~
4 ~~of the district pursuant to RCW 41.04.070 through 41.04.110.~~

5 ~~(2)~~) For the retention of all sick leave standing to the
6 employee's credit in the plan of such district.

7 (~~(3)~~) (2) For a vacation with pay during the first year of
8 employment equivalent to that to which he would have been entitled if
9 he had remained in the employment of the district.

10 **Sec. 33.** RCW 35.58.210 and 1974 ex.s. c 70 s 7 are each amended to
11 read as follows:

12 If a metropolitan municipal corporation shall be authorized to
13 perform the function of metropolitan water pollution abatement, the
14 metropolitan council shall, prior to the effective date of the
15 assumption of such function, cause a metropolitan water pollution
16 abatement advisory committee to be formed by notifying the legislative
17 body of each component city and county which operates a sewer system to
18 appoint one person to serve on such advisory committee and the board of
19 commissioners of each water-sewer district (~~(and water district)~~) which
20 operates a sewer system, any portion of which lies within the
21 metropolitan area, to appoint one person to serve on such committee who
22 shall be a commissioner of such a water-sewer (~~(or water)~~) district.
23 The metropolitan water pollution abatement advisory committee shall
24 meet at the time and place provided in the notice and elect a chairman.
25 The members of such committee shall serve at the pleasure of the
26 appointing bodies and shall receive no compensation other than
27 reimbursement for expenses actually incurred in the performance of
28 their duties. The function of such advisory committee shall be to
29 advise the metropolitan council in matters relating to the performance
30 of the water pollution (~~(abatement)~~) abatement function.

31 **Sec. 34.** RCW 35.58.220 and 1965 c 7 s 35.58.220 are each amended
32 to read as follows:

33 If a metropolitan municipal corporation shall be authorized to
34 perform the function of metropolitan water supply, it shall have the
35 following powers in addition to the general powers granted by this
36 chapter:

1 (1) To prepare a comprehensive plan for the development of sources
2 of water supply, trunk supply mains and water treatment and storage
3 facilities for the metropolitan area.

4 (2) To acquire by purchase, condemnation, gift or grant and to
5 lease, construct, add to, improve, replace, repair, maintain, operate
6 and regulate the use of metropolitan facilities for water supply within
7 or without the metropolitan area, including buildings, structures,
8 water sheds, wells, springs, dams, settling basins, intakes, treatment
9 plants, trunk supply mains and pumping stations, together with all
10 lands, property, equipment and accessories necessary to enable the
11 metropolitan municipal corporation to obtain and develop sources of
12 water supply, treat and store water and deliver water through trunk
13 supply mains. Water supply facilities which are owned by a city or
14 special district may be acquired or used by the metropolitan municipal
15 corporation only with the consent of the legislative body of the city
16 or special district owning such facilities. Cities and special
17 districts are hereby authorized to convey or lease such facilities to
18 metropolitan municipal corporations or to contract for their joint use
19 on such terms as may be fixed by agreement between the legislative body
20 of such city or special district and the metropolitan council, without
21 submitting the matter to the voters of such city or special district.

22 (3) To fix rates and charges for water supplied by the metropolitan
23 municipal corporation.

24 (4) To acquire by purchase, condemnation, gift or grant and to
25 lease, construct, add to, improve, replace, repair, maintain, operate
26 and regulate the use of facilities for the local distribution of water
27 in portions of the metropolitan area not contained within any city, or
28 water-sewer district that operates a water system, and, with the
29 consent of the legislative body of any city or the water-sewer
30 district, to exercise such powers within such city or water-sewer
31 district and for such purpose to have all the powers conferred by law
32 upon such city or water-sewer district with respect to such local
33 distribution facilities. All costs of such local distribution
34 facilities shall be paid for by the area served thereby.

35 **Sec. 35.** RCW 35.58.230 and 1993 c 240 s 5 are each amended to read
36 as follows:

37 If a metropolitan municipal corporation shall be authorized to
38 perform the function of metropolitan water supply, the metropolitan

1 council shall, prior to the effective date of the assumption of such
2 function, cause a metropolitan water advisory committee to be formed by
3 notifying the legislative body of each component city which operates a
4 water system to appoint one person to serve on such advisory committee
5 and the board of commissioners of each water-sewer district that
6 operates a water system, any portion of which lies within the
7 metropolitan area, to appoint one person to serve on such committee who
8 shall be a water-sewer district commissioner. The metropolitan water
9 advisory committee shall meet at the time and place provided in the
10 notice and elect a chairman. The members of such committee shall serve
11 at the pleasure of the appointing bodies and shall receive no
12 compensation other than reimbursement for expenses actually incurred in
13 the performance of their duties. The function of such advisory
14 committee shall be to advise the metropolitan council with respect to
15 matters relating to the performance of the water supply function.

16 The requirement to create a metropolitan water advisory committee
17 shall not apply to a county that has assumed the rights, powers,
18 functions, and obligations of the metropolitan municipal corporation
19 under chapter 36.56 RCW.

20 **Sec. 36.** RCW 35.58.410 and 1993 c 240 s 11 are each amended to
21 read as follows:

22 (1) On or before the third Monday in June of each year, each
23 metropolitan municipal corporation shall adopt a budget for the
24 following calendar year. Such budget shall include a separate section
25 for each authorized metropolitan function. Expenditures shall be
26 segregated as to operation and maintenance expenses and capital and
27 betterment outlays. Administrative and other expense general to the
28 corporation shall be allocated between the authorized metropolitan
29 functions. The budget shall contain an estimate of all revenues to be
30 collected during the following budget year, including any surplus funds
31 remaining unexpended from the preceding year. The metropolitan council
32 shall not be required to confine capital or betterment expenditures
33 made from bond proceeds or emergency expenditures to items provided in
34 the budget. The affirmative vote of three-fourths of all members of
35 the metropolitan council shall be required to authorize emergency
36 expenditures.

37 (2) Subsection (1) of this section shall not apply to a county that
38 has assumed the rights, powers, functions, and obligations of a

1 metropolitan municipal corporation under chapter 36.56 RCW. This
2 subsection (2) shall apply only to each county that has assumed the
3 rights, powers, functions, and obligations of a metropolitan municipal
4 corporation under chapter 36.56 RCW.

5 Each county that has assumed the rights, powers, functions, and
6 obligations of a metropolitan municipal corporation under chapter 36.56
7 RCW shall, on or before the third Monday in June of each year, prepare
8 an estimate of all revenues to be collected during the following
9 calendar year, including any surplus funds remaining unexpended from
10 the preceding year for each authorized metropolitan function.

11 By June 30 of each year, the county shall adopt the rate for sewage
12 disposal that will be charged to component cities and water-sewer
13 districts during the following budget year.

14 As long as any general obligation indebtedness remains outstanding
15 that was issued by the metropolitan municipal corporation prior to the
16 assumption by the county, the county shall continue to impose the taxes
17 authorized by RCW 82.14.045 and 35.58.273(5) at the maximum rates and
18 on all of the taxable events authorized by law. If, despite the
19 continued imposition of those taxes, the estimate of revenues made on
20 or before the third Monday in June shows that estimated revenues will
21 be insufficient to make all debt service payments falling due in the
22 following calendar year on all general obligation indebtedness issued
23 by the metropolitan municipal corporation prior to the assumption by
24 the county of the rights, powers, functions, and obligations of the
25 metropolitan municipal corporation, the remaining amount required to
26 make the debt service payments shall be designated as "supplemental
27 income" and shall be obtained from component cities and component
28 counties as provided under RCW 35.58.420.

29 The county shall prepare and adopt a budget each year in accordance
30 with applicable general law or county charter. If supplemental income
31 has been designated under this subsection, the supplemental income
32 shall be reflected in the budget that is adopted. If during the budget
33 year the actual tax revenues from the taxes imposed under the authority
34 of RCW 82.14.045 and 35.58.273(5) exceed the estimates upon which the
35 supplemental income was based, the difference shall be refunded to the
36 component cities and component counties in proportion to their payments
37 promptly after the end of the budget year. A county that has assumed
38 the rights, powers, functions, and obligations of a metropolitan
39 municipal corporation under chapter 36.56 RCW shall not be required to

1 confine capital or betterment expenditures for authorized metropolitan
2 functions from bond proceeds or emergency expenditures to items
3 provided in the budget.

4 **Sec. 37.** RCW 35.67.300 and 1965 c 7 s 35.67.300 are each amended
5 to read as follows:

6 Any city, town, or organized and established water-sewer district
7 owning or operating its own sewer system, whenever topographic
8 conditions shall make it feasible and whenever such existing sewer
9 system shall be adequate therefor in view of the sewerage and drainage
10 requirements of the property in such city, town, or water-sewer
11 district, served or to be served by such system, may contract with any
12 other city, town, or organized and established water-sewer district for
13 the discharge into its sewer system of sewage from all or any part or
14 parts of such other city, town, or water-sewer district upon such terms
15 and conditions and for such periods of time as may be deemed
16 reasonable.

17 Any city, town, or organized and established water-sewer district
18 may contract with any other city, town, or organized and established
19 water-sewer district for the construction and/or operation of any sewer
20 or sewage disposal facilities for the joint use and benefit of the
21 contracting parties upon such terms and conditions and for such period
22 of time as the governing bodies of the contracting parties may
23 determine. Any such contract may provide that the responsibility for
24 the management of the construction and/or maintenance and operation of
25 any sewer disposal facilities or part thereof covered by such contract
26 shall be vested solely in one of the contracting parties, with the
27 other party or parties thereto paying to the managing party such
28 portion of the expenses thereof as shall be agreed upon.

29 **Sec. 38.** RCW 35.91.020 and 1981 c 313 s 11 are each amended to
30 read as follows:

31 The governing body of any city, town, county, water-sewer district,
32 (~~water district,~~) or drainage district, hereinafter referred to as a
33 "municipality" may contract with owners of real estate for the
34 construction of storm, sanitary, or combination sewers, pumping
35 stations, and disposal plants, water mains, hydrants, reservoirs, or
36 appurtenances, hereinafter called "water or sewer facilities," within
37 their boundaries or (except for counties) within ten miles from their

1 corporate limits connecting with the public water or sewerage system to
2 serve the area in which the real estate of such owners is located, and
3 to provide for a period of not to exceed fifteen years for the
4 reimbursement of such owners and their assigns by any owner of real
5 estate who did not contribute to the original cost of such water or
6 sewer facilities and who subsequently tap onto or use the same of a
7 fair pro rata share of the cost of the construction of said water or
8 sewer facilities, including not only those directly connected thereto,
9 but also users connected to laterals or branches connecting thereto,
10 subject to such reasonable rules and regulations as the governing body
11 of such municipality may provide or contract, and notwithstanding the
12 provisions of any other law. To the extent it may require in the
13 performance of such contract, such municipality may install said water
14 or sewer facilities in and along the county streets in the area to be
15 served as hereinabove provided, subject to such reasonable requirements
16 as to the manner of occupancy of such streets as the county may by
17 resolution provide. The provisions of such contract shall not be
18 effective as to any owner of real estate not a party thereto unless
19 such contract has been recorded in the office of the county auditor of
20 the county in which the real estate of such owner is located prior to
21 the time such owner taps into or connects to said water or sewer
22 facilities. ((The power of the governing body of such municipality to
23 so contract also applies to water or sewer facilities in process of
24 construction on June 10, 1959, or which have not been finally approved
25 or accepted for full maintenance and operation by such municipality
26 upon June 10, 1959.))

27 **Sec. 39.** RCW 35.92.012 and 1965 c 7 s 35.92.012 are each amended
28 to read as follows:

29 A city or town, whose boundaries are identical with those of a
30 water-sewer district, or within which a water-sewer district is
31 entirely located, which is free from all debts and liabilities except
32 contractual obligations between the district and the town, may accept
33 the property and assets of the ((water)) district and operate such
34 property and assets as a municipal waterworks, if the district and the
35 city or town each participate in a summary dissolution proceedings for
36 the district as provided in RCW 57.04.110.

1 **Sec. 40.** RCW 35.92.170 and 1965 c 7 s 35.92.170 are each amended
2 to read as follows:

3 When a city or town owns or operates a municipal waterworks system
4 and desires to extend such utility beyond its corporate limits it may
5 acquire, construct and maintain any addition to or extension of the
6 system, and dispose of and distribute water to any other municipality,
7 water-sewer district, community, or person desiring to purchase it.

8 **Sec. 41.** RCW 35.97.010 and 1987 c 522 s 4 are each amended to read
9 as follows:

10 Unless the context clearly requires otherwise, the definitions in
11 this section apply throughout this chapter.

12 (1) "Biomass energy system" means a system that provides for the
13 production or collection of organic materials such as wood and
14 agricultural residues and municipal solid waste that are primarily
15 organic materials and the conversion or use of that material for the
16 production of heat or substitute fuels through several processes
17 including, but not limited to, burning, pyrolysis, or anaerobic
18 digestion.

19 (2) "Cogeneration" means the sequential generation of two or more
20 forms of energy from a common fuel or energy source.

21 (3) "Cogeneration facility" means any machinery, equipment,
22 structure, process, or property or any part thereof, installed or
23 acquired for the primary purpose of cogeneration by a person or
24 corporation.

25 (4) "Geothermal heat" means the natural thermal energy of the
26 earth.

27 (5) "Waste heat" means the thermal energy which otherwise would be
28 released to the environment from an industrial process, electric
29 generation, or other process.

30 (6) "Heat" means thermal energy.

31 (7) "Heat source" includes but is not limited to (a) any integral
32 part of a heat production or heat rejection system of an industrial
33 facility, cogeneration facility, or electric power generation facility,
34 (b) geothermal well or spring, (c) biomass energy system, (d) solar
35 collection facility, and (e) hydrothermal resource or heat extraction
36 process.

1 (8) "Municipality" means a county, city, town, irrigation district
2 which distributes electricity, water-sewer district, (~~water~~
3 ~~district,~~) port district, or metropolitan municipal corporation.

4 (9) "Heating facilities or heating systems" means all real and
5 personal property, or interests therein, necessary or useful for: (a)
6 The acquisition, production, or extraction of heat; (b) the storage of
7 heat; (c) the distribution of heat from its source to the place of
8 utilization; (d) the extraction of heat at the place of utilization
9 from the medium by which the heat is distributed; (e) the distribution
10 of heat at the place of utilization; and (f) the conservation of heat.

11 (10) "Hydrothermal resource" means the thermal energy available in
12 wastewater, sewage effluent, wells, or other water sources, natural or
13 manmade.

14 **Sec. 42.** RCW 35.97.050 and 1996 c 230 s 1603 are each amended to
15 read as follows:

16 If the legislative authority of a municipality deems it advisable
17 that the municipality purchase, acquire, or construct a heating system,
18 or make any additions or extensions to a heating system, the
19 legislative authority shall so provide by an ordinance or a resolution
20 specifying and adopting the system or plan proposed, declaring the
21 estimated cost thereof, as near as may be, and specifying the method of
22 financing and source of funds. Any construction, alteration, or
23 improvement of a heating system by any (~~county, city, town, irrigation~~
24 ~~district, water-sewer district, or port district~~) municipality shall
25 be in compliance with the appropriate competitive bidding requirements
26 in Titles 35, 36, 53, 57, or 87 RCW.

27 **Sec. 43.** RCW 36.16.138 and 1975 c 16 s 1 are each amended to read
28 as follows:

29 Any board of commissioners, council, or board of directors or other
30 governing board of any county, city, town, school district, port
31 district, public utility district, water-sewer district, (~~water~~
32 ~~district,~~) irrigation district, or other municipal corporation or
33 political subdivision is authorized to purchase insurance to protect
34 and hold personally harmless any of its commissioners, council members,
35 directors, or other governing board members, and any of its other
36 officers, employees, and agents from any action, claim, or proceeding
37 instituted against the foregoing individuals arising out of the

1 performance, purported performance, or failure of performance, in good
2 faith of duties for, or employment with, such institutions and to hold
3 these individuals harmless from any expenses connected with the
4 defense, settlement, or monetary judgments from such actions, claims,
5 or proceedings. The purchase of such insurance for any of the
6 foregoing individuals and the policy limits shall be discretionary with
7 the municipal corporation or political subdivision, and such insurance
8 shall not be considered to be compensation for these individuals.

9 The provisions of this section are cumulative and in addition to
10 any other provision of law authorizing any municipal corporation or
11 political subdivision to purchase liability insurance.

12 **Sec. 44.** RCW 36.93.020 and 1979 ex.s. c 30 s 5 are each amended to
13 read as follows:

14 As used herein:

15 (1) "Governmental unit" means any incorporated city or town,
16 metropolitan municipal corporation, or any special purpose district as
17 defined in this section.

18 (2) "Special purpose district" means any water-sewer district,
19 (~~water district,~~) fire protection district, drainage improvement
20 district, drainage and diking improvement district, flood control zone
21 district, irrigation district, metropolitan park district, drainage
22 district, or public utility district engaged in water distribution.

23 (3) "Board" means a boundary review board created by or pursuant to
24 this chapter.

25 **Sec. 45.** RCW 36.93.093 and 1971 ex.s. c 127 s 2 are each amended
26 to read as follows:

27 Whenever a (~~sewer or~~) water-sewer district files with the board
28 a notice of intention as required by RCW 36.93.090, the board shall
29 send a copy of such notice of intention to the legislative authority of
30 the county wherein such action is proposed to be taken and one copy to
31 the state department of ecology.

32 **Sec. 46.** RCW 36.93.105 and 1989 c 84 s 4 are each amended to read
33 as follows:

34 The following actions shall not be subject to potential review by
35 a boundary review board:

1 (1) Annexations of territory to a water ~~((or))~~ sewer district
2 pursuant to RCW 36.94.410 through 36.94.440;

3 (2) Revisions of city or town boundaries pursuant to RCW 35.21.790
4 or 35A.21.210;

5 (3) Adjustments to city or town boundaries pursuant to RCW
6 35.13.340; and

7 (4) Adjustments to city and town boundaries pursuant to RCW
8 35.13.300 through 35.13.330.

9 **Sec. 47.** RCW 36.93.185 and 1989 c 308 s 13 are each amended to
10 read as follows:

11 The proposal by a ~~((water district or))~~ water-sewer district to
12 annex territory that is not adjacent to the district shall not be
13 deemed to be violative of the objectives of a boundary review board
14 solely due to the fact that the territory is not adjacent to the
15 ~~((water district or))~~ water-sewer district. The proposed consolidation
16 or merger of two or more ~~((water districts or two or more))~~ water-sewer
17 districts that are not adjacent to each other shall not be deemed to be
18 violative of the objectives of a boundary review board solely due to
19 the fact that the districts are not adjacent.

20 **Sec. 48.** RCW 36.94.220 and 1981 c 313 s 3 are each amended to read
21 as follows:

22 (1) A county shall have the power to establish utility local
23 improvement districts and local improvement districts within the area
24 of a sewerage and/or water general plan and to levy special assessments
25 under a mode of annual installments extending over a period not
26 exceeding twenty years on all property specially benefited by any local
27 improvement on the basis of the special benefits to pay in whole or in
28 part the damages or costs of any improvements ordered in such county.

29 (2) Utility local improvement districts and local improvement
30 districts may include territory within a city or town only with the
31 written consent of the city or town, but if the local district is
32 formed before such area is included within the city or town, no such
33 consent shall be necessary. Utility local improvement districts and
34 local improvement districts used to provide sewerage disposal systems
35 may include territory within a ~~((sewer district or within a))~~ water-
36 sewer district providing sewerage disposal systems only with the
37 written consent of ~~((the sewer district or))~~ such a water-sewer

1 district, but if the local district is formed before such area is
2 included within (~~(the sewer district or)~~) such a water-sewer district,
3 no consent is necessary. Utility local improvement districts and local
4 improvement districts used to provide water systems may include
5 territory within (~~(a water district or within)~~) a water-sewer district
6 providing water systems only with the written consent of (~~(the water~~
7 ~~district or)~~) such a water-sewer district, but if the local district is
8 formed before such area is included within (~~(the water district or)~~)
9 such a water-sewer district, no consent is necessary.

10 (3) The levying, collection, and enforcement of all public
11 assessments hereby authorized shall be in the manner now and hereafter
12 provided by law for the levying, collection, and enforcement of local
13 improvement assessments by cities and towns, insofar as the same shall
14 not be inconsistent with the provisions of this chapter. In addition,
15 the county shall file the preliminary assessment roll at the time and
16 in the manner prescribed in RCW 35.50.005. The duties devolving upon
17 the city or town treasurer under such laws are imposed upon the county
18 treasurer for the purposes of this chapter. The mode of assessment
19 shall be in the manner to be determined by the county legislative
20 authority by ordinance or resolution. As an alternative to equal
21 annual assessment installments of principal provided for cities and
22 towns, a county legislative authority may provide for the payment of
23 such assessments in equal annual installments of principal and
24 interest. Assessments in any local district may be made on the basis
25 of special benefits up to but not in excess of the total cost of any
26 sewerage and/or water improvement made with respect to that local
27 district and the share of any general sewerage and/or water facilities
28 allocable to that district. In utility local improvement districts,
29 assessments shall be deposited into the revenue bond fund or general
30 obligation bond fund established for the payment of bonds issued to pay
31 such costs which bond payments are secured in part by the pledge of
32 assessments, except pending the issuance and sale of such bonds,
33 assessments may be deposited in a fund for the payment of such costs.
34 In local improvement districts, assessments shall be deposited into a
35 fund for the payment of such costs and local improvement bonds issued
36 to finance the same or into the local improvement guaranty fund as
37 provided by applicable statute.

1 **Sec. 49.** RCW 36.94.430 and 1984 c 147 s 3 are each amended to read
2 as follows:

3 The provisions of RCW 36.94.410 and 36.94.420 provide an
4 alternative method of accomplishing the transfer permitted by those
5 sections and do not impose additional conditions upon the exercise of
6 powers vested in water ((and))_ sewer districts and counties.

7 **Sec. 50.** RCW 36.96.010 and 1979 ex.s. c 5 s 1 are each amended to
8 read as follows:

9 As used in this chapter, unless the context requires otherwise:

10 (1) "Special purpose district" means every municipal and quasi-
11 municipal corporation other than counties, cities, and towns. Such
12 special purpose districts shall include, but are not limited to, water_
13 sewer districts, fire protection districts, port districts, public
14 utility districts, county park and recreation service areas, flood
15 control zone districts, diking districts, drainage improvement
16 districts, and solid waste collection districts, but shall not include
17 industrial development districts created by port districts, and shall
18 not include local improvement districts, utility local improvement
19 districts, and road improvement districts;

20 (2) "Governing authority" means the commission, council, or other
21 body which directs the affairs of a special purpose district;

22 (3) "Inactive" means that a special purpose district, other than a
23 public utility district, is characterized by either of the following
24 criteria:

25 (a) Has not carried out any of the special purposes or functions
26 for which it was formed within the preceding consecutive five-year
27 period; or

28 (b) No election has been held for the purpose of electing a member
29 of the governing body within the preceding consecutive seven-year
30 period or, in those instances where members of the governing body are
31 appointed and not elected, where no member of the governing body has
32 been appointed within the preceding seven-year period.

33 A public utility district is inactive when it is characterized by both
34 criteria (a) and (b) of this subsection.

35 **Sec. 51.** RCW 36.94.410 and 1984 c 147 s 1 are each amended to read
36 as follows:

1 A system of sewerage, system of water or combined water and
2 sewerage systems operated by a county under the authority of this
3 chapter may be transferred from that county to a water ((or))_ sewer
4 district in the same manner as is provided for the transfer of those
5 functions from a water ((or))_ sewer district to a county in RCW
6 36.94.310 through 36.94.340.

7 **Sec. 52.** RCW 36.94.420 and 1996 c 230 s 1609 are each amended to
8 read as follows:

9 If so provided in the transfer agreement, the area served by the
10 system shall, upon completion of the transfer, be deemed annexed to and
11 become a part of the water-sewer district acquiring the system. The
12 county shall provide notice of the hearing by the county legislative
13 authority on the ordinance executing the transfer agreement under RCW
14 36.94.330 as follows: (1) By mailed notice to all ratepayers served by
15 the system at least fifteen days prior to the hearing; and (2) by
16 notice in a newspaper of general circulation once at least fifteen days
17 prior to the hearing.

18 In the event of an annexation under this section resulting from the
19 transfer of a system of sewerage, a system of water, or combined water
20 and sewer systems from a county to a water-sewer district ((governed by
21 Title 57 RCW)), the water-sewer district shall ((have all the powers of
22 a water sewer district provided by chapter 57.36 RCW, as if a water-
23 sewer district had been merged into a water sewer district)) operate
24 the system or systems under the provisions of Title 57 RCW.

25 **Sec. 53.** RCW 39.69.010 and 1987 c 19 s 1 are each amended to read
26 as follows:

27 As used in this chapter, "municipal corporation" includes counties,
28 cities, towns, port districts, ((sewer districts,)) water-sewer
29 districts, school districts, metropolitan park districts, or such other
30 units of local government which are authorized to issue obligations.

31 **Sec. 54.** RCW 39.80.020 and 1981 c 61 s 2 are each amended to read
32 as follows:

33 Unless the context clearly requires otherwise, the definitions in
34 this section shall apply throughout this chapter.

1 (1) "State agency" means any department, agency, commission,
2 bureau, office, or any other entity or authority of the state
3 government.

4 (2) "Local agency" means any city and any town, county, special
5 district, municipal corporation, agency, port district or authority, or
6 political subdivision of any type, or any other entity or authority of
7 local government in corporate form or otherwise.

8 (3) "Special district" means a local unit of government, other than
9 a city, town, or county, authorized by law to perform a single function
10 or a limited number of functions, and including but not limited to,
11 water-sewer districts, irrigation districts, fire districts, school
12 districts, community college districts, hospital districts, (~~sewer~~
13 ~~districts,~~) transportation districts, and metropolitan municipal
14 corporations organized under chapter 35.58 RCW.

15 (4) "Agency" means both state and local agencies and special
16 districts as defined in subsection(~~(1)~~)s (1), (2), and (3) of this
17 section.

18 (5) "Architectural and engineering services" or "professional
19 services" means professional services rendered by any person, other
20 than as an employee of the agency, contracting to perform activities
21 within the scope of the general definition of professional practice in
22 chapters 18.08, 18.43, or 18.96 RCW.

23 (6) "Person" means any individual, organization, group,
24 association, partnership, firm, joint venture, corporation, or any
25 combination thereof.

26 (7) "Consultant" means any person providing professional services
27 who is not an employee of the agency for which the services are
28 provided.

29 (8) "Application" means a completed statement of qualifications
30 together with a request to be considered for the award of one or more
31 contracts for professional services.

32 **Sec. 55.** RCW 39.50.010 and 1985 c 332 s 8 are each amended to read
33 as follows:

34 As used in this chapter, the following terms have the meanings
35 indicated unless the context clearly requires otherwise.

36 (1) "Governing body" means the legislative authority of a municipal
37 corporation by whatever name designated;

1 (2) "Local improvement district" includes local improvement
2 districts, utility local improvement districts, road improvement
3 districts, and other improvement districts that a municipal corporation
4 is authorized by law to establish;

5 (3) "Municipal corporation" means any city, town, county, (~~water~~
6 ~~district,~~) water-sewer district, school district, port district,
7 public utility district, metropolitan municipal corporation, public
8 transportation benefit area, park and recreation district, irrigation
9 district, or fire protection district or any other municipal or quasi-
10 municipal corporation described as such by statute, except joint
11 operating agencies under chapter 43.52 RCW;

12 (4) "Ordinance" means an ordinance of a city or town or resolution
13 or other instrument by which the governing body of the municipal
14 corporation exercising any power under this chapter takes formal action
15 and adopts legislative provisions and matters of some permanency; and

16 (5) "Short-term obligations" are warrants, notes, or other
17 evidences of indebtedness, except bonds.

18 **Sec. 56.** RCW 43.20.240 and 1990 c 132 s 3 are each amended to read
19 as follows:

20 (1) The department shall have primary responsibility among state
21 agencies to receive complaints from persons aggrieved by the failure of
22 a public water system. If the remedy to the complaint is not within
23 the jurisdiction of the department, the department shall refer the
24 complaint to the state or local agency that has the appropriate
25 jurisdiction. The department shall take such steps as are necessary to
26 inform other state agencies of their primary responsibility for such
27 complaints and the implementing procedures.

28 (2) Each county shall designate a contact person to the department
29 for the purpose of receiving and following up on complaint referrals
30 that are within county jurisdiction. In the absence of any such
31 designation, the county health officer shall be responsible for
32 performing this function.

33 (3) The department and each county shall establish procedures for
34 providing a reasonable response to complaints received from persons
35 aggrieved by the failure of a public water system.

36 (4) The department and each county shall use all reasonable efforts
37 to assist customers of public water systems in obtaining a dependable
38 supply of water at all times. The availability of resources and the

1 public health significance of the complaint shall be considered when
2 determining what constitutes a reasonable effort.

3 (5) The department shall, in consultation with local governments,
4 water utilities, water-sewer districts, public utility districts, and
5 other interested parties, develop a booklet or other single document
6 that will provide to members of the public the following information:

7 (a) A summary of state law regarding the obligations of public
8 water systems in providing drinking water supplies to their customers;

9 (b) A summary of the activities, including planning, rate setting,
10 and compliance, that are to be performed by both local and state
11 agencies;

12 (c) The rights of customers of public water systems, including
13 identification of agencies or offices to which they may address the
14 most common complaints regarding the failures or inadequacies of public
15 water systems.

16 This booklet or document shall be available to members of the
17 public no later than January 1, 1991.

18 **Sec. 57.** RCW 43.70.195 and 1994 c 292 s 3 are each amended to read
19 as follows:

20 (1) In any action brought by the secretary of health or by a local
21 health officer pursuant to chapter 7.60 RCW to place a public water
22 system in receivership, the petition shall include the names of one or
23 more suitable candidates for receiver who have consented to assume
24 operation of the water system. The department shall maintain a list of
25 interested and qualified individuals, municipal entities, special
26 purpose districts, and investor-owned water companies with experience
27 in the provision of water service and a history of satisfactory
28 operation of a water system. If there is no other person willing and
29 able to be named as receiver, the court shall appoint the county in
30 which the water system is located as receiver. The county may
31 designate a county agency to operate the system, or it may contract
32 with another individual or public water system to provide management
33 for the system. If the county is appointed as receiver, the secretary
34 of health and the county health officer shall provide regulatory
35 oversight for the agency or other person responsible for managing the
36 water system.

37 (2) In any petition for receivership under subsection (1) of this
38 section, the department shall recommend that the court grant to the

1 receiver full authority to act in the best interests of the customers
2 served by the public water system. The receiver shall assess the
3 capability, in conjunction with the department and local government,
4 for the system to operate in compliance with health and safety
5 standards, and shall report to the court and the petitioning agency its
6 recommendations for the system's future operation, including the
7 formation of a water-sewer district or other public entity, or
8 ownership by another existing water system capable of providing
9 service.

10 (3) If a petition for receivership and verifying affidavit executed
11 by an appropriate departmental official allege an immediate and serious
12 danger to residents constituting an emergency, the court shall set the
13 matter for hearing within three days and may appoint a temporary
14 receiver ex parte upon the strength of such petition and affidavit
15 pending a full evidentiary hearing, which shall be held within fourteen
16 days after receipt of the petition.

17 (4) A bond, if any is imposed upon a receiver, shall be minimal and
18 shall reasonably relate to the level of operating revenue generated by
19 the system. Any receiver appointed pursuant to this section shall not
20 be held personally liable for any good faith, reasonable effort to
21 assume possession of, and to operate, the system in compliance with the
22 court's orders.

23 (5) The court shall authorize the receiver to impose reasonable
24 assessments on a water system's customers to recover expenditures for
25 improvements necessary for the public health and safety.

26 (6) No later than twelve months after appointment of a receiver,
27 the petitioning agency, in conjunction with the county in which the
28 system is located, and the appropriate state and local health agencies,
29 shall develop and present to the court a plan for the disposition of
30 the system. The report shall include the recommendations of the
31 receiver made pursuant to subsection (2) of this section. The report
32 shall include all reasonable and feasible alternatives. After
33 receiving the report, the court shall provide notice to interested
34 parties and conduct such hearings as are necessary. The court shall
35 then order the parties to implement one of the alternatives, or any
36 combination thereof, for the disposition of the system. Such order
37 shall include a date, or proposed date, for the termination of the
38 receivership. Nothing in this section authorizes a court to require a
39 city, town, public utility district, water-sewer district, or

1 irrigation district to accept a system that has been in receivership
2 unless the city, town, public utility district, water-sewer district,
3 or irrigation district agrees to the terms and conditions outlined in
4 the plan adopted by the court.

5 (7) The court shall not terminate the receivership, and order the
6 return of the system to the owners, unless the department of health
7 approves of such an action. The court may impose reasonable conditions
8 upon the return of the system to the owner, including the posting of a
9 bond or other security, routine performance and financial audits,
10 employment of qualified operators and other staff or contracted
11 services, compliance with financial viability requirements, or other
12 measures sufficient to ensure the ongoing proper operation of the
13 system.

14 (8) If, as part of the ultimate disposition of the system, an
15 eminent domain action is commenced by a public entity to acquire the
16 system, the court shall oversee any appraisal of the system conducted
17 under Title 7 RCW to assure that the appraised value properly reflects
18 any reduced value because of the necessity to make improvements to the
19 system. The court shall have the authority to approve the appraisal,
20 and to modify it based on any information provided at an evidentiary
21 hearing. The court's determination of the proper value of the system,
22 based on the appraisal, shall be final, and only appealable if not
23 supported by substantial evidence. If the appraised value is appealed,
24 the court may order that the system's ownership be transferred upon
25 payment of the approved appraised value.

26 **Sec. 58.** RCW 43.155.030 and 1985 c 446 s 9 are each amended to
27 read as follows:

28 (1) The public works board is hereby created.

29 (2) The board shall be composed of thirteen members appointed by
30 the governor for terms of four years, except that five members
31 initially shall be appointed for terms of two years. The board shall
32 include: (a) Three members, two of whom shall be elected officials and
33 one shall be a public works manager, appointed from a list of at least
34 six persons nominated by the association of Washington cities or its
35 successor; (b) three members, two of whom shall be elected officials
36 and one shall be a public works manager, appointed from a list of at
37 least six persons nominated by the Washington state association of
38 counties or its successor; (c) three members appointed from a list of

1 at least six persons nominated jointly by the (~~Washington state~~
2 ~~association of water districts, the~~) Washington public utility
3 districts association(~~(7)~~) and (~~the Washington~~) a state association
4 of water-sewer districts, or their successors; and (d) four members
5 appointed from the general public. In appointing the four general
6 public members, the governor shall endeavor to balance the geographical
7 composition of the board and to include members with special expertise
8 in relevant fields such as public finance, architecture and civil
9 engineering, and public works construction. The governor shall appoint
10 one of the general public members of the board as chair. The term of
11 the chair shall coincide with the term of the governor.

12 (3) Staff support to the board shall be provided by the department.

13 (4) Members of the board shall receive no compensation but shall be
14 reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

15 (5) If a vacancy on the board occurs by death, resignation, or
16 otherwise, the governor shall fill the vacant position for the
17 unexpired term. Each vacancy in a position appointed from lists
18 provided by the associations under subsection (2) of this section shall
19 be filled from a list of at least three persons nominated by the
20 relevant association or associations. Any members of the board,
21 appointive or otherwise, may be removed by the governor for cause in
22 accordance with RCW 43.06.070 and 43.06.080.

23 **Sec. 59.** RCW 44.04.170 and 1970 ex.s. c 69 s 2 are each amended to
24 read as follows:

25 It shall be the duty of each association of municipal corporations
26 or municipal officers, which is recognized by law and utilized as an
27 official agency for the coordination of the policies and/or
28 administrative programs of municipal corporations, to submit
29 biennially, or oftener as necessary, to the governor and to the
30 legislature the joint recommendations of such participating
31 municipalities regarding changes which would affect the efficiency of
32 such municipal corporations. Such associations shall include but shall
33 not be limited to the Washington state association of fire
34 commissioners, (~~the Washington~~) a state association of
35 water/wastewater districts, (~~the Washington state association of sewer~~
36 ~~districts,~~) and the Washington state school directors' association.

1 **Sec. 60.** RCW 48.62.021 and 1991 sp.s. c 30 s 2 are each amended to
2 read as follows:

3 Unless the context clearly requires otherwise, the definitions in
4 this section apply throughout this chapter.

5 (1) "Local government entity" or "entity" means every unit of local
6 government, both general purpose and special purpose, and includes, but
7 is not limited to, counties, cities, towns, port districts, public
8 utility districts, (~~water districts,~~) water-sewer districts, school
9 districts, fire protection districts, irrigation districts,
10 metropolitan municipal corporations, conservation districts, and other
11 political subdivisions, governmental subdivisions, municipal
12 corporations, and quasi-municipal corporations.

13 (2) "Risk assumption" means a decision to absorb the entity's
14 financial exposure to a risk of loss without the creation of a formal
15 program of advance funding of anticipated losses.

16 (3) "Self-insurance" means a formal program of advance funding and
17 management of entity financial exposure to a risk of loss that is not
18 transferred through the purchase of an insurance policy or contract.

19 (4) "Health and welfare benefits" means a plan or program
20 established by a local government entity or entities for the purpose of
21 providing its employees and their dependents, and in the case of school
22 districts, its district employees, students, directors, or any of their
23 dependents, with health care, accident, disability, death, and salary
24 protection benefits.

25 (5) "Property and liability risks" includes the risk of property
26 damage or loss sustained by a local government entity and the risk of
27 claims arising from the tortious or negligent conduct or any error or
28 omission of the local government entity, its officers, employees,
29 agents, or volunteers as a result of which a claim may be made against
30 the local government entity.

31 (6) "State risk manager" means the state risk manager of the
32 division of risk management within the department of general
33 administration.

34 **Sec. 61.** RCW 52.08.011 and 1984 c 230 s 54 are each amended to
35 read as follows:

36 Territory within a fire protection district may be withdrawn from
37 the district in the same manner provided by law for withdrawal of
38 territory from water-sewer districts, as provided by chapter 57.28 RCW.

1 **Sec. 62.** RCW 53.48.001 and 1989 c 84 s 46 are each amended to read
2 as follows:

3 The dissolution of a metropolitan park district, fire protection
4 district, (~~sewer district,~~) water-sewer district, or flood control
5 zone district under chapter 53.48 RCW may be subject to potential
6 review by a boundary review board under chapter 36.93 RCW.

7 **Sec. 63.** RCW 53.48.010 and 1986 c 278 s 17 are each amended to
8 read as follows:

9 The following words and terms shall, whenever used in this chapter,
10 have the meaning set forth in this section:

11 (1) The term "district" as used herein, shall include all municipal
12 and quasi-municipal corporations having a governing body, other than
13 cities, towns, counties, and townships, such as port districts, school
14 districts, water-sewer districts, fire protection districts, and all
15 other special districts of similar organization, but shall not include
16 local improvement districts, diking, drainage and irrigation districts,
17 special districts as defined in RCW 85.38.010, nor public utility
18 districts.

19 (2) The words "board of commissioners," as used herein, shall mean
20 the governing authority of any district as defined in subdivision (1)
21 of this section.

22 **Sec. 64.** RCW 54.04.030 and 1931 c 1 s 12 are each amended to read
23 as follows:

24 (~~This act~~) Chapter 1, Laws of 1931, shall not be deemed or
25 construed to repeal or affect any existing act, or any part thereof,
26 relating to the construction, operation and maintenance of public
27 utilities by irrigation or water-sewer districts or other municipal
28 corporations, but shall be supplemental thereto and concurrent
29 therewith. No public utility district created hereunder shall include
30 therein any municipal corporation, or any part thereof, where such
31 municipal corporation already owns or operates all the utilities herein
32 authorized: PROVIDED, that in case it does not own or operate all such
33 utilities it may be included within such public utility district for
34 the purpose of establishing or operating therein such utilities as it
35 does not own or operate: PROVIDED, FURTHER, That no property situated
36 within any irrigation or water-sewer districts or other municipal
37 corporations shall ever be taxed or assessed to pay for any utility, or

1 part thereof, of like character to any utility, owned or operated by
2 such irrigation or water districts or other municipal corporations.

3 **Sec. 65.** RCW 70.44.400 and 1984 c 100 s 1 are each amended to read
4 as follows:

5 Territory within a public hospital district may be withdrawn
6 therefrom in the same manner provided by law for withdrawal of
7 territory from water-sewer districts, as provided by chapter 57.28 RCW.
8 For purposes of conforming with such procedure, the public hospital
9 district shall be deemed to be the water-sewer district and the public
10 hospital board of commissioners shall be deemed to be the water-sewer
11 district board of commissioners.

12 **Sec. 66.** RCW 70.95B.020 and 1995 c 269 s 2901 are each amended to
13 read as follows:

14 As used in this chapter unless context requires another meaning:

15 (1) "Director" means the director of the department of ecology.

16 (2) "Department" means the department of ecology.

17 (3) "Certificate" means a certificate of competency issued by the
18 director stating that the operator has met the requirements for the
19 specified operator classification of the certification program.

20 (4) "Wastewater treatment plant" means a facility used to treat any
21 liquid or waterborne waste of domestic origin or a combination of
22 domestic, commercial or industrial origin, and which by its design
23 requires the presence of an operator for its operation. It shall not
24 include any facility used exclusively by a single family residence,
25 septic tanks with subsoil absorption, industrial wastewater treatment
26 plants, or wastewater collection systems.

27 (5) "Operator in responsible charge" means an individual who is
28 designated by the owner as the person on-site in responsible charge of
29 the routine operation of a wastewater treatment plant.

30 (6) "Nationally recognized association of certification
31 authorities" shall mean that organization which serves as an
32 information center for certification activities, recommends minimum
33 standards and guidelines for classification of potable water treatment
34 plants, water distribution systems and wastewater facilities and
35 certification of operators, facilitates reciprocity between state
36 programs and assists authorities in establishing new certification
37 programs and updating existing ones.

1 (7) "Wastewater collection system" means any system of lines,
2 pipes, manholes, pumps, liftstations, or other facilities used for the
3 purpose of collecting and transporting wastewater.

4 (8) "Operating experience" means routine performance of duties, on-
5 site in a wastewater treatment plant, that affects plant performance or
6 effluent quality.

7 (9) "Owner" means in the case of a town or city, the city or town
8 acting through its chief executive officer or the lessee if operated
9 pursuant to a lease or contract; in the case of a county, the chairman
10 of the county legislative authority or the chairman's designee; in the
11 case of a water-sewer district, board of public utilities, association,
12 municipality or other public body, the president or chairman of the
13 body or the president's or chairman's designee; in the case of a
14 privately owned wastewater treatment plant, the legal owner.

15 (10) "Wastewater certification program coordinator" means an
16 employee of the department who administers the wastewater treatment
17 plant operators' certification program.

18 **Sec. 67.** RCW 70.119.020 and 1995 c 269 s 2904 are each amended to
19 read as follows:

20 As used in this chapter unless context requires another meaning:

21 (1) "Certificate" means a certificate of competency issued by the
22 secretary stating that the operator has met the requirements for the
23 specified operator classification of the certification program.

24 (2) "Certified operator" means an individual holding a valid
25 certificate and employed or appointed by any county, water-sewer
26 district, municipality, public or private corporation, company,
27 institution, person, or the state of Washington and who is designated
28 by the employing or appointing officials as the person responsible for
29 active daily technical operation.

30 (3) "Department" means the department of health.

31 (4) "Distribution system" means that portion of a public water
32 system which stores, transmits, pumps and distributes water to
33 consumers.

34 (5) "Ground water under the direct influence of surface water"
35 means any water beneath the surface of the ground with:

36 (a) Significant occurrence of insects or other macroorganisms,
37 algae, or large diameter pathogens such as giardia lamblia; or

1 (b) Significant and relatively rapid shifts in water
2 characteristics such as turbidity, temperature, conductivity, or pH
3 which closely correlate to climatological or surface water conditions.

4 (6) "Group A water system" means a system with fifteen or more
5 service connections, regardless of the number of people; or a system
6 serving an average of twenty-five or more people per day for sixty or
7 more days within a calendar year, regardless of the number of service
8 connections. Group A water system does not include a system serving
9 fewer than fifteen single-family residences, regardless of the number
10 of people.

11 (7) "Nationally recognized association of certification
12 authorities" shall mean an organization which serves as an information
13 center for certification activities, recommends minimum standards and
14 guidelines for classification of potable water treatment plants, water
15 distribution systems and waste water facilities and certification of
16 operators, facilitates reciprocity between state programs and assists
17 authorities in establishing new certification programs and updating
18 existing ones.

19 (8) "Public water system" means any system, excluding a system
20 serving only one single-family residence and a system with four or
21 fewer connections all of which serve residences on the same farm,
22 providing piped water for human consumption, including any collection,
23 treatment, storage, or distribution facilities under control of the
24 purveyor and used primarily in connection with the system; and
25 collection or pretreatment storage facilities not under control of the
26 purveyor but primarily used in connection with the system.

27 (9) "Purification plant" means that portion of a public water
28 system which treats or improves the physical, chemical or
29 bacteriological quality of the system's water to bring the water into
30 compliance with state board of health standards.

31 (10) "Secretary" means the secretary of the department of health.

32 (11) "Service" means a connection to a public water system designed
33 to serve a single-family residence, dwelling unit, or equivalent use.
34 If the facility has group home or barracks-type accommodations, three
35 persons will be considered equivalent to one service.

36 (12) "Surface water" means all water open to the atmosphere and
37 subject to surface runoff.

1 **Sec. 68.** RCW 79.44.003 and 1989 c 243 s 13 are each amended to
2 read as follows:

3 As used in this chapter "assessing district" means:

4 (1) Incorporated cities and towns;

5 (2) Diking districts;

6 (3) Drainage districts;

7 (4) Port districts;

8 (5) Irrigation districts;

9 (6) Water-sewer districts;

10 (7) (~~Sewer districts;~~

11 ~~+8~~)) Counties; and

12 (~~+9~~)) (8) Any municipal corporation or public agency having power
13 to levy local improvement or other assessments, rates, or charges which
14 by statute are expressly made applicable to lands of the state.

15 **Sec. 69.** RCW 84.04.120 and 1961 c 15 s 84.04.120 are each amended
16 to read as follows:

17 "Taxing district" shall be held and construed to mean and include
18 the state and any county, city, town, (~~township,~~) port district,
19 school district, road district, metropolitan park district, water-sewer
20 district or other municipal corporation, now or hereafter existing,
21 having the power or authorized by law to impose burdens upon property
22 within the district in proportion to the value thereof, for the purpose
23 of obtaining revenue for public purposes, as distinguished from
24 municipal corporations authorized to impose burdens, or for which
25 burdens may be imposed, for such purposes, upon property in proportion
26 to the benefits accruing thereto.

27 **Sec. 70.** RCW 84.33.100 and 1992 c 52 s 6 are each amended to read
28 as follows:

29 As used in RCW 84.33.110 through 84.33.140 and 84.33.210 through
30 84.33.270:

31 (1) "Forest land" is synonymous with timberland and means all land
32 in any contiguous ownership of twenty or more acres which is primarily
33 devoted to and used for growing and harvesting timber and means the
34 land only.

35 (2) "Owner" means the party or parties having the fee interest in
36 land, except where land is subject to a real estate contract "owner"
37 means the contract vendee.

1 (3) "Local government" shall mean any city, town, county, ((~~sewer~~
2 ~~district,~~) water-sewer district, public utility district, port
3 district, irrigation district, flood control district, or any other
4 municipal corporation, quasi-municipal corporation, or other political
5 subdivision authorized to levy special benefit assessments for sanitary
6 or storm sewerage systems, domestic water supply or distribution
7 systems, or road construction or improvement purposes.

8 (4) "Local improvement district" shall mean any local improvement
9 district, utility local improvement district, local utility district,
10 road improvement district, or any similar unit created by a local
11 government for the purpose of levying special benefit assessments
12 against property specially benefited by improvements relating to such
13 districts.

14 (5) The term "average rate of inflation" shall mean the annual rate
15 of inflation as determined by the department of revenue averaged over
16 the period of time as provided in RCW 84.33.220 (1) and (2). Such
17 determination shall be published not later than January 1 of each year
18 for use in that assessment year.

19 (6) "Special benefit assessments" shall mean special assessments
20 levied or capable of being levied in any local improvement district or
21 otherwise levied or capable of being levied by a local government to
22 pay for all or part of the costs of a local improvement and which may
23 be levied only for the special benefits to be realized by property by
24 reason of that local improvement.

25 **Sec. 71.** RCW 84.34.310 and 1992 c 52 s 15 are each amended to read
26 as follows:

27 As used in RCW 84.34.300 through 84.34.380, unless a different
28 meaning is required, the words defined in this section shall have the
29 meanings indicated.

30 (1) "Farm and agricultural land" shall mean the same as defined in
31 RCW 84.34.020(2).

32 (2) "Timber land" shall mean the same as defined in RCW
33 84.34.020(3).

34 (3) "Local government" shall mean any city, town, county, ((~~sewer~~
35 ~~district,~~) water-sewer district, public utility district, port
36 district, irrigation district, flood control district, or any other
37 municipal corporation, quasi-municipal corporation, or other political
38 subdivision authorized to levy special benefit assessments for sanitary

1 and/or storm sewerage systems, domestic water supply and/or
2 distribution systems, or road construction or improvement purposes.

3 (4) "Local improvement district" shall mean any local improvement
4 district, utility local improvement district, local utility district,
5 road improvement district, or any similar unit created by a local
6 government for the purpose of levying special benefit assessments
7 against property specially benefited by improvements relating to such
8 districts.

9 (5) "Owner" shall mean the same as defined in RCW 84.34.020(5) or
10 the applicable statutes relating to special benefit assessments.

11 (6) The term "average rate of inflation" shall mean the annual rate
12 of inflation as determined by the department of revenue averaged over
13 the period of time as provided in RCW 84.34.330 (1) and (2). Such
14 determination shall be published not later than January 1 of each year
15 for use in that assessment year.

16 (7) "Special benefit assessments" shall mean special assessments
17 levied or capable of being levied in any local improvement district or
18 otherwise levied or capable of being levied by a local government to
19 pay for all or part of the costs of a local improvement and which may
20 be levied only for the special benefits to be realized by property by
21 reason of that local improvement.

22 **Sec. 72.** RCW 84.64.080 and 1991 c 245 s 27 are each amended to
23 read as follows:

24 The court shall examine each application for judgment foreclosing
25 tax lien, and if defense (specifying in writing the particular cause of
26 objection) be offered by any person interested in any of the lands or
27 lots to the entry of judgment against the same, the court shall hear
28 and determine the matter in a summary manner, without other pleadings,
29 and shall pronounce judgment as the right of the case may be; or the
30 court may, in its discretion, continue such individual cases, wherein
31 defense is offered, to such time as may be necessary, in order to
32 secure substantial justice to the contestants therein; but in all other
33 cases the court shall proceed to determine the matter in a summary
34 manner as above specified. In all judicial proceedings of any kind for
35 the collection of taxes, and interest and costs thereon, all amendments
36 which by law can be made in any personal action pending in such court
37 shall be allowed, and no assessments of property or charge for any of
38 the taxes shall be considered illegal on account of any irregularity in

1 the tax list or assessment rolls or on account of the assessment rolls
2 or tax list not having been made, completed or returned within the time
3 required by law, or on account of the property having been charged or
4 listed in the assessment or tax lists without name, or in any other
5 name than that of the owner, and no error or informality in the
6 proceedings of any of the officers connected with the assessment,
7 levying or collection of the taxes, shall vitiate or in any manner
8 affect the tax or the assessment thereof, and any irregularities or
9 informality in the assessment rolls or tax lists or in any of the
10 proceedings connected with the assessment or levy of such taxes or any
11 omission or defective act of any officer or officers connected with the
12 assessment or levying of such taxes, may be, in the discretion of the
13 court, corrected, supplied and made to conform to the law by the court.
14 The court shall give judgment for such taxes, interest and costs as
15 shall appear to be due upon the several lots or tracts described in the
16 notice of application for judgment or complaint, and such judgment
17 shall be a several judgment against each tract or lot or part of a
18 tract or lot for each kind of tax included therein, including all
19 interest and costs, and the court shall order and direct the clerk to
20 make and enter an order for the sale of such real property against
21 which judgment is made, or vacate and set aside the certificate of
22 delinquency or make such other order or judgment as in the law or
23 equity may be just. The order shall be signed by the judge of the
24 superior court, shall be delivered to the county treasurer, and shall
25 be full and sufficient authority for him or her to proceed to sell the
26 property for the sum as set forth in the order and to take such further
27 steps in the matter as are provided by law. The county treasurer shall
28 immediately after receiving the order and judgment of the court proceed
29 to sell the property as provided in this chapter to the highest and
30 best bidder for cash. The acceptable minimum bid shall be the total
31 amount of taxes, interest, penalties, and costs. All sales shall be
32 made at a location in the county on a date and time (except Saturdays,
33 Sundays, or legal holidays) as the county treasurer may direct, and
34 shall continue from day to day (Saturdays, Sundays, and legal holidays
35 excepted) during the same hours until all lots or tracts are sold,
36 after first giving notice of the time, and place where such sale is to
37 take place for ten days successively by posting notice thereof in three
38 public places in the county, one of which shall be in the office of the
39 treasurer. The notice shall be substantially in the following form:

TAX JUDGMENT SALE

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Public notice is hereby given that pursuant to real property tax judgment of the superior court of the county of in the state of Washington, and an order of sale duly issued by the court, entered the day of,, in proceedings for foreclosure of tax liens upon real property, as per provisions of law, I shall on the day of,, at o'clock a.m., at in the city of, and county of, state of Washington, sell the real property to the highest and best bidder for cash, to satisfy the full amount of taxes, interest and costs adjudged to be due.

In witness whereof, I have hereunto affixed my hand and seal this day of,

.
Treasurer of
county.

No county officer or employee shall directly or indirectly be a purchaser of such property at such sale.

If any buildings or improvements are upon an area encompassing more than one tract or lot, the same must be advertised and sold as a single unit.

If the highest amount bid for any such separate unit tract or lot is in excess of the minimum bid due upon the whole property included in the certificate of delinquency, the excess shall be refunded following payment of all water ((and))_ sewer district liens, on application therefor, to the record owner of the property. The record owner of the property is the person who held title on the date of issuance of the certificate of delinquency. In the event no claim for the excess is received by the county treasurer within three years after the date of the sale he or she shall at expiration of the three year period deposit such excess in the current expense fund of the county. The county treasurer shall execute to the purchaser of any piece or parcel of land a tax deed. The deed so made by the county treasurer, under the official seal of his or her office, shall be recorded in the same manner as other conveyances of real property, and shall vest in the grantee, his or her heirs and assigns the title to the property therein described, without further acknowledgment or evidence of such conveyance, and shall be substantially in the following form:

1 State of Washington }
2 } ss.
3 County of |

4 This indenture, made this day of , ,
5 between , as treasurer of county, state of
6 Washington, party of the first part, and , party of the
7 second part:

8 Witnesseth, that, whereas, at a public sale of real property held
9 on the day of , , pursuant to a real property
10 tax judgment entered in the superior court in the county of
11 on the day of , , in proceedings to foreclose
12 tax liens upon real property and an order of sale duly issued by the
13 court, duly purchased in compliance with the laws of the
14 state of Washington, the following described real property, to wit:
15 (Here place description of real property conveyed) and that the
16 has complied with the laws of the state of Washington
17 necessary to entitle (him, or her or them) to a deed for the real
18 property.

19 Now, therefore, know ye, that, I , county treasurer of
20 the county of , state of Washington, in consideration of the
21 premises and by virtue of the statutes of the state of Washington, in
22 such cases provided, do hereby grant and convey unto , his
23 or her heirs and assigns, forever, the real property hereinbefore
24 described.

25 Given under my hand and seal of office this day of
26 , A.D.

27
28 County Treasurer.

29 **Sec. 73.** RCW 84.69.010 and 1961 c 15 s 84.69.010 are each amended
30 to read as follows:

31 As used in this chapter, unless the context indicates otherwise:
32 (1) "Taxing district" means any county, city, town, (~~township,~~)
33 port district, school district, road district, metropolitan park
34 district, water-sewer district, or other municipal corporation now or
35 hereafter authorized by law to impose burdens upon property within the
36 district in proportion to the value thereof, for the purpose of
37 obtaining revenue for public purposes, as distinguished from municipal
38 corporations authorized to impose burdens, or for which burdens may be

1 imposed, for such purposes, upon property in proportion to the benefits
2 accruing thereto.

3 (2) "Tax" includes penalties and interest.

4 **Sec. 74.** RCW 87.03.015 and 1979 ex.s. c 185 s 2 are each amended
5 to read as follows:

6 Any irrigation district, operating and maintaining an irrigation
7 system, in addition to other powers conferred by law, shall have
8 authority:

9 (1) To purchase and sell electric power to the inhabitants of the
10 irrigation district for the purposes of irrigation and domestic use, to
11 acquire, construct, and lease dams, canals, plants, transmission lines,
12 and other power equipment and the necessary property and rights
13 therefor and to operate, improve, repair, and maintain the same, for
14 the generation and transmission of electrical energy for use in the
15 operation of pumping plants and irrigation systems of the district and
16 for sale to the inhabitants of the irrigation district for the purposes
17 of irrigation and domestic use; and, as a further and separate grant of
18 authority and in furtherance of a state purpose and policy of
19 developing hydroelectric capability in connection with irrigation
20 facilities, to construct, finance, acquire, own, operate, and maintain,
21 alone or jointly with other irrigation districts, boards of control,
22 other municipal or quasi_municipal corporations or cooperatives
23 authorized to engage in the business of distributing electricity, or
24 electrical companies subject to the jurisdiction of the utilities and
25 transportation commission, hydroelectric facilities including but not
26 limited to dams, canals, plants, transmission lines, other power
27 equipment, and the necessary property and rights therefor, located
28 within or outside the district, for the purpose of utilizing for the
29 generation of electricity, water power made available by and as a part
30 of the irrigation water storage, conveyance, and distribution
31 facilities, waste ways, and drainage water facilities which serve
32 irrigation districts, and to sell any and all the electric energy
33 generated at any such hydroelectric facilities or the irrigation
34 district's share of such energy, to municipal or quasi_municipal
35 corporations and cooperatives authorized to engage in the business of
36 distributing electricity, and electrical companies subject to the
37 jurisdiction of the utilities and transportation commission, or to
38 other irrigation districts, and on such terms and conditions as the

1 board of directors shall determine, and to enter into contracts with
2 other irrigation districts, boards of control, other municipal or
3 quasi_municipal corporations and cooperatives authorized to engage in
4 the business of distributing electricity, and electrical companies
5 subject to the jurisdiction of the utilities and transportation
6 commission: PROVIDED, That no contract entered into by the board of
7 directors of any irrigation district for the sale of electrical energy
8 from such hydroelectric facility for a period longer than forty years
9 from the date of commercial operation of such hydroelectric facility
10 shall be binding on the district until ratified by a majority vote of
11 the electors of the district at an election therein, called, held and
12 canvassed for that purpose in the same manner as that provided by law
13 for district bond elections.

14 (2) To construct, repair, purchase, maintain or lease a system for
15 the sale or lease of water to the owners of irrigated lands within the
16 district for domestic purposes.

17 (3) To construct, repair, purchase, lease, acquire, operate and
18 maintain a system of drains, sanitary sewers, and sewage disposal or
19 treatment plants as herein provided.

20 (4) To assume, as principal or guarantor, any indebtedness to the
21 United States under the federal reclamation laws, on account of
22 district lands.

23 (5) To maintain, repair, construct and reconstruct ditches,
24 laterals, pipe lines and other water conduits used or to be used in
25 carrying water for irrigation of lands located within the boundaries of
26 a city or town or for the domestic use of the residents of a city or
27 town where the owners of land within such city or town shall use such
28 works to carry water to the boundaries of such city or town for
29 irrigation, domestic or other purposes within such city or town, and to
30 charge to such city or town the pro rata proportion of the cost of such
31 maintenance, repair, construction and reconstruction work in proportion
32 to the benefits received by the lands served and located within the
33 boundaries of such city or town, and if such cost is not paid, then and
34 in that event said irrigation district shall have the right to prevent
35 further water deliveries through such works to the lands located within
36 the boundaries of such city or town until such charges have been paid.

37 (6) To acquire, install and maintain as a part of the irrigation
38 district's water system the necessary water mains and fire hydrants to
39 make water available for fire fighting purposes; and in addition any

1 such irrigation district shall have the authority to repair, operate
2 and maintain such hydrants and mains.

3 (7) To enter into contracts with other irrigation districts, boards
4 of control, municipal or quasi_municipal corporations and cooperatives
5 authorized to engage in the business of distributing electricity, and
6 electrical companies subject to the jurisdiction of the utilities and
7 transportation commission to jointly acquire, construct, own, operate,
8 and maintain irrigation water, domestic water, drainage and sewerage
9 works, and electrical power works to the same extent as authorized by
10 subsection (1) of this section, or portions of such works.

11 (8) To acquire from a water-sewer district wholly within the
12 irrigation district's boundaries, by a conveyance without cost, the
13 water-sewer district's water system and to operate the same to provide
14 water for the domestic use of the irrigation district residents. As a
15 part of its acceptance of the conveyance the irrigation district must
16 agree to relieve the water-sewer district of responsibility for
17 maintenance and repair of the system. Any such water-sewer district is
18 authorized to make such a conveyance if all indebtedness of the water-
19 sewer district, except local improvement district bonds, has been paid
20 and the conveyance has been approved by a majority of the water-sewer
21 district's ((electors)) voters voting at a general or special election.

22 This section shall not be construed as in any manner abridging any
23 other powers of an irrigation district conferred by law.

24 **Sec. 75.** RCW 87.03.720 and 1977 ex.s. c 208 s 1 are each amended
25 to read as follows:

26 The board of directors of an irrigation district shall, after being
27 notified by the legislative authority of the county or counties within
28 which the irrigation district lies of the filing of the petition
29 therefor, have the power to assent to the proposed merger with the
30 irrigation district of that portion of a drainage improvement district,
31 joint drainage improvement district, consolidated drainage improvement
32 district, or water-sewer district within its boundaries at a hearing
33 duly called by the board to consider the proposed merger if sufficient
34 objections thereto have not been presented, as hereinafter provided.

35 **Sec. 76.** RCW 87.03.725 and 1977 ex.s. c 208 s 2 are each amended
36 to read as follows:

1 The secretary of the board of directors shall cause a notice of the
2 proposed merger to be posted and published in the same manner and for
3 the same time as notice of a special election for the issue of bonds.
4 The notice shall state that a petition has been filed with the
5 legislative authority of the county or counties within which the
6 irrigation districts lies by the board of supervisors of the drainage
7 improvement district, joint drainage improvement district, or
8 consolidated drainage improvement district or by the board of
9 commissioners of a water-sewer district requesting that the drainage
10 improvement district, joint drainage improvement district, consolidated
11 drainage improvement district, or water-sewer district be merged with
12 the irrigation district or irrigation districts, the names of the
13 petitioners and the prayer thereof, and it shall notify all persons
14 interested in the irrigation district to appear at the office of the
15 board at the time named in the notice, and show cause in writing why
16 the proposed merger should not take place. The time to show cause
17 shall be the regular meeting of the board of directors of the
18 irrigation district next after the expiration of the time for the
19 publication of the notice.

20 NEW SECTION. **Sec. 77.** RCW 56.08.070 and 1996 c 18 s 13 are each
21 repealed.

22 NEW SECTION. **Sec. 78.** This act is necessary for the immediate
23 preservation of the public peace, health, or safety, or support of the
24 state government and its existing public institutions, and takes effect
25 July 1, 1997.

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